Department of Justice

2006 - 2007

Departmental Performance Report

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Section I – Overview

Minister's Message

I am pleased to report on the performance of the Department of Justice for 2006-2007.

The Department of Justice plays an important and unique role in the federal government and in Canada's justice system. Over the past year, the Department has assisted the Government as a whole in implementing a legislative agenda that aims to make streets and communities safer, while ensuring that the justice system remains fair, relevant and accessible.

The Department provided support for the introduction of a number of pieces of legislation of importance to Canadians. These included bills to toughen sentences for serious gun offences, to require those accused of serious crimes involving firearms to provide sufficient justification before they are granted bail while awaiting trial, and to increase the age at which youths can consent to sexual activity, in order to better protect them against sexual exploitation by adult predators.

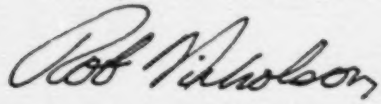
Thanks in part to the efforts of the Department, the Government has passed legislation to deal with the dangerous and reckless crime of street racing, to end the use of conditional sentences – including house arrest – for serious offences, to provide provinces and territories with the flexibility to regulate the payday lending industry, and to ratify and implement the *United Nations Convention Against Corruption*, a key international initiative. The Department is also helping the Government in its initiatives to prevent youth crime in communities, and to assist victims of crime.

The Department was also a key contributor to the drafting of the *Federal Accountability Act*, which received Royal Assent on December 12th, 2006. Moreover, as a common service provider to all federal government departments and agencies, the Department provided high-quality legal services support to clients to help them meet their obligations to Parliament and Canadians.

Work also continues on issues such as a sustainable funding strategy for legal services, managing the volume of litigation, legal risk management, performance measurement, and developing the skills and knowledge of our work force.

As Minister of Justice, I will be counting on the Department's public servants, and their professionalism and expertise, as our Government continues to pursue this agenda. I will also continue to work with all levels of government, our stakeholders and the public in our ultimate goal of ensuring that Canadians feel safe in their communities and have confidence in the justice system.

I invite you to read this document for further details regarding our performance over the past year.



The Honourable Rob Nicholson, P.C., M.P.
Minister of Justice and Attorney General of Canada

MESSAGE FROM THE DEPUTY MINISTER

The Department of Justice strives for excellence in the practice of law. It is a leader in Canada and internationally and at the forefront of legal issues that are relevant to the daily lives of Canadians. The Department helps the federal government to develop policy and to draft and reform laws as needed so that priorities and key commitments are realized to the benefit of all Canadians. Over the past year, in support of the Minister and the Government, the Department was focussed heavily on the delivery of the legislative agenda.

One of the major pieces of legislation that received Royal Assent during the reporting period was the *Federal Accountability Act*. A key element of the *Act* was the creation of the Public Prosecution Service of Canada (PPSC). As a result, the Department was engaged in managing the transition of approximately 15 percent of former DOJ employees from the Federal Prosecution Service to the PPSC.

In the 2006-2007 Report on Plans and Priorities, I committed to building our performance management capacity. As such, over the past year, we have seen much progress in our capacity to collect and report on a number of performance indicators particularly those associated with the full range of legal services that we provide to the Government of Canada. For example, during the fiscal year 2006-2007, in partnership with Statistics Canada, the Canada Public Service Agency, and Public Works and Government Services Canada, the Department surveyed over 24 agencies and departments to obtain feedback regarding the utility, timeliness and responsiveness of our services. For more details regarding the results of this exercise, and other performance data and analysis, the reader is invited to review Section II of this report.

During the reporting period, for the first time, the government publicly posted the results of the Government-wide 2005-2006 Management Accountability Framework (MAF) exercise. This important initiative illustrates that the government is serious about transparency, accountability and most importantly, sound stewardship of resources. I am pleased overall with the ratings accorded to the Department and I welcome the codification of sound management practice with clear standards defined across government. Within this framework, we are able to clearly pinpoint priorities, highlight best practices and address any shortcomings. It is also interesting to note that those issues identified by the MAF exercise as ones requiring attention from the Department were elements that we had also identified internally as areas of focus. For example, over the reporting period, we continued our work in the area of legal risk management, that is, to ensure that legal risk across the federal government is anticipated, mitigated and effectively managed. We also completed our work on the Review of Legal Services and obtained approval for the implementation of a net voting regime for the appropriate spending of revenues received from departments and agencies for the legal services rendered. Treasury Board Secretariat approved the reliance on a mix of Justice appropriations and recoveries from departments and agencies to fund the provision of legal services to Government.

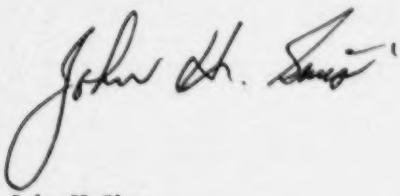
Finally, as you will see in the following pages, we continued to dedicate our efforts throughout the reporting period to support our strategic outcomes and to providing concrete results for Canadians.

Management Representation Statement

I submit for tabling in Parliament, the 2006–2007 Departmental Performance Report for the Department of Justice Canada.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2006–2007 Estimates: Reports on Plans and Priorities and Departmental Performance Reports:*

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcomes and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.



John H. Sims
Deputy Minister of Justice and Deputy Attorney General of Canada

Summary Information

Raison d'être

The justice system defines and prescribes the balance between collective and individual rights and responsibilities that ensure a well-ordered society. As such it affects almost every facet of Canadians' daily lives from guiding everyday activities that ensure our safety to supporting social policies and social benefits, regulating our economy, and offering ways to resolve disputes peacefully where there are disagreements or conflicts between people, organizations, and/or governments.

Maintaining a system that serves all Canadians is a central focus for the Department of Justice (DOJ), which strives to ensure that the system remains fair, accessible and efficient as it evolves in response to social change.

Role of the Department

The Department of Justice is headed by the Minister of Justice and the Attorney General of Canada. The responsibilities of the Minister and Attorney General are set out in the *Department of Justice Act (DOJ Act)* and 47 other Acts of Parliament. The Department of Justice fulfills three distinctive roles within the Government of Canada, acting as a:

- policy department with broad responsibilities for overseeing all matters relating to the administration of justice that fall within the federal domain;
- provider of a range of legal advisory, litigation and legislative services to government departments and agencies; and
- central agency responsible for supporting the Minister in advising Cabinet on all legal matters including the constitutionality of government activities.

Mission

The Department's mission is to:

- Support the Minister of Justice in working to ensure that Canada is a just and law-abiding society with an accessible, efficient and fair system of justice;
- Provide high-quality legal services and counsel to the government and to client departments and agencies; and
- Promote respect for rights and freedoms, the law and the Constitution.

Program Activity Architecture

The Program Activity Architecture (PAA) graphically portrays an inventory of the activities and programs for which the Department of Justice is responsible. In essence, most everything that we do in the department is reflected in our PAA, whether it be policy development, program development and delivery (including grants and contributions), or the provision of legal advisory, legislative and regulatory drafting and litigation services to our colleagues across government.

Within the PAA structure, the Department has two overarching strategic outcomes which we strive to attain: a fair, relevant and accessible justice system that reflects Canadian values; and a federal government that is supported by effective and responsive legal services.

The Department's two strategic outcomes stem from its statutory requirements under the *Department of Justice Act*. The Program Activities that support these strategic outcomes are aimed at achieving high level results including the development of policies, laws and programs in response to identified needs and gaps and that are integrated with Government priorities and commitments; the provision of high quality legal services; and, respect for the rule of law.

Figure 1 below illustrates the alignment of the Department's program activities and strategic outcomes with those of the Government of Canada.

Figure 1: Benefits to Canadians – Links to Government of Canada Outcomes

Strategic Outcome	Program Activity	Alignment to Government of Canada Outcomes
A fair, relevant, accessible justice system that reflects Canadian values	Program Activity A.1 Developing policies and laws	Social: Safe and Secure Communities
	Program Activity A.2 Developing and implementing programs	Social: Diverse Society That Promotes Lingustic Duality and Social Inclusion
A federal government that is supported by effective and responsive legal services	Program Activity B.1 Providing legal advisory, litigation and legislative services to government	Federal Organizations that support all Government of Canada outcomes
	Program Activity B.2 Providing prosecution services[1]	Social: Safe and Secure Communities

[1] The Program Activity "Providing Prosecution Services" is no longer included in the Department of Justice's Program Activity Architecture. As of December 12th, 2006, with the creation of the Public Prosecution Service of Canada, the majority of the Department's prosecution activities were assumed by the new organization. Because this machinery change occurred during the reporting period, and because the PPSC's costs were managed by the Department of Justice until March 31st, 2007, their performance report is included in this document. In future years, the PPSC will submit its own DPR to Parliament as it did with the 2007-2008 Report on Plans and Priorities.

Financial Resources (in millions of dollars):

Planned Spending	Total Authorities	Actual Spending
$ 1,005.7	$ 1,028.6	$ 974.2

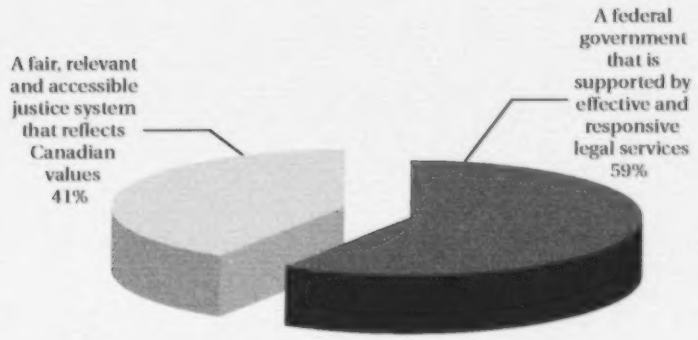
Human Resources (in Full-time Equivalents or FTEs):

Planned	Actual	Difference
4,783 FTEs	4,812 FTEs	29 FTEs

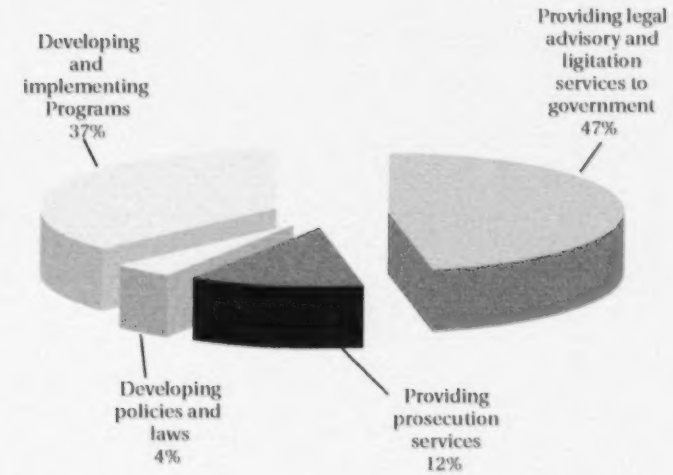
2006-2007 Actual Spending by Strategic Outcome and Supporting Program Activity (in millions of dollars)

A fair, relevant and accessible justice system that reflects Canadian values	
Developing policies and laws	37.5
Developing and implementing programs	363.0
Total - Strategic Outcome I	400.5
A federal government that is supported by effective and responsive legal services	
Providing legal advisory, litigation and legislative services to government	416.0
Providing prosecution services	112.7
Total - Strategic Outcome II	573.7
Total	**974.2**

2006-2007 Actual Spending by Strategic Outcomes

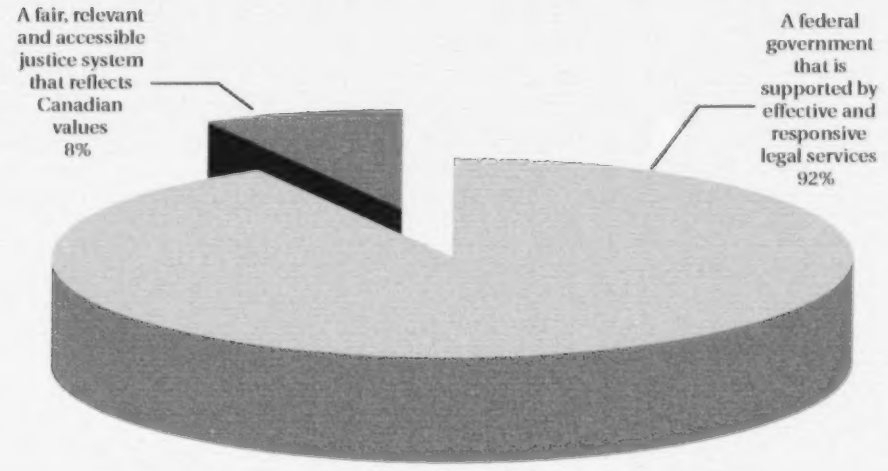

A fair, relevant and accessible justice system that reflects Canadian values 41%
A federal government that is supported by effective and responsive legal services 59%

2006-2007 Actual Spending by Program Activity


Developing and implementing Programs 37%
Providing legal advisory and ligitation services to government 47%
Developing policies and laws 4%
Providing prosecution services 12%

2006-2007 Actual FTEs by Strategic Outcome and Supporting Program Activity	
A fair, relevant and accessible justice system that reflects Canadian values	
Developing policies and laws	260
Developing and implementing programs	107
Total - Strategic Outcome I	367
A federal government that is supported by effective and responsive legal services	
Providing legal advisory and litigation services to government	3625
Providing prosecution services	820
Total - Strategic Outcome II	4445
Total	**4812**

2006-2007 Actual FTEs by Strategic Outcomes


A fair, relevant and accessible justice system that reflects Canadian values 8%
A federal government that is supported by effective and responsive legal services 92%

Departmental Priorities

*Shaded areas illustrate the program activities that support specific priorities

PRIORITIES All priorities are "on-going" *Status on performance*: All priorities were "successfully met" in 2006-2007	PROGRAM ACTIVITY AND EXPECTED RESULTS				2006-2007 ($MILLIONS)	
	Strategic Outcome #1: A fair, relevant and accessible justice system that reflects Canadian values		**Strategic Outcome #2:** A federal government that is supported by effective and responsive legal services			
	Program Activity: A.1 Developing policies and laws *Expected Results:* Policies and laws are developed in response to identified needs and gaps and are integrated with government priorities and commitments	**Program Activity:** A.2 Developing and implementing programs *Expected Results:* Programs are developed and implemented in response to identified needs and gaps and are integrated with Government priorities and commitments	**Program Activity:** B.1 Providing legal advisory and litigation services to government *Expected Results:* High quality legal services and respect for the rule of law	**Program Activity:** B.2 Providing prosecution services *Expected Results:* Effective pre-charge interventions/advice	Planned Spending	Actual Spending
A. Protecting Canadian communities	✓		✓	✓	42.3	44.4
B. Improving Government Accountability	✓		✓		0.5	0.5
C. Strengthening youth criminal justice	✓	✓			192.3	187.3
D. Improving the experience of victims of crime	✓	✓			4.8	4.1
E. Improving efficiencies in the justice system and the efficient delivery of legal services	✓		✓	✓	562.8	506.2
F. Improving access to justice	✓	✓			164.4	151.7

Operating Environment:

The Department of Justice is a medium-sized department. During the reporting period, the Department had 4,812 employees[2]. While roughly one half of departmental staff are lawyers, there are a number of other committed professionals in the Department including paralegals, social scientists, human resource officers, program managers, communications specialists, administrative services personnel, computer services professionals and financial officers.

As the government's law firm, the Department is structured in a way that anticipates maximum effectiveness in serving our clients' needs. To this end, the Department delivers an integrated suite of legal advisory, litigation and drafting services through six "portfolios" - Aboriginal Affairs; Tax Law; Citizenship, Immigration and Public Safety; Central Agencies; Business and Regulatory Law; and the Justice Portfolio.

This portfolio approach to service provision is aimed at ensuring consistency of positions on important points of law, and in the policies, programs, legislative and regulatory initiatives developed across the federal government.

Within the portfolio structure, a significant proportion of the Department's counsel are assigned to one of the 42 departmental legal services units (DLSUs), which are co-located with client departments and agencies. DLSUs provide legal advice to their clients with respect to their powers and duties, and ensure that the conduct of their affairs are in accordance with the law. In doing so, DLSUs also provide advice with respect to the statutes and regulations that apply to the Government of Canada, and strategic advice concerning policy development and other initiatives.

The Department also maintains a number of specialized legal capacities within national headquarters including a Legislative Services Branch, a Litigation Branch and a Public Law Branch. In addition to a national headquarters and a network of legal services units, the Department provides services across the country through a network of regional offices and sub-offices. Six regional offices—serving the North, British Columbia, the Prairies, Ontario, Quebec, and the Atlantic provinces—support the portfolio structure by serving clients and handling litigation and legal advisory work locally. During the reporting period, about half the Department's staff worked in regional offices. Following the establishment of the Public Prosecution Service of Canada, this number was reduced to 43 percent.

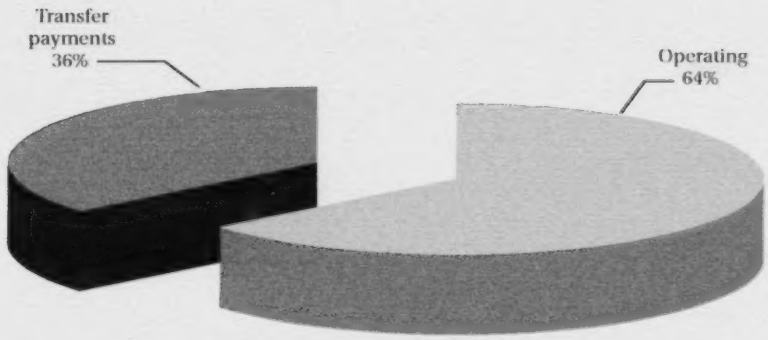
Regional staff are responsible for effectively managing a large volume of litigation and advisory services on behalf of client departments. They work closely with their portfolio and policy colleagues to handle complex, high-profile cases.

The Department also maintains a policy and program development capacity in order to manage its contributions to the government of Canada's policy and program priorities and commitments with regard to the administration of justice. In addition to managing the Department's overall policy agenda, the Department's Policy Sector develops and maintains strong working relationships with policy and program partners in the federal government, provinces and territories, non-governmental organizations and international institutions and organizations.

[2] This includes employees who were transferred to the Public Prosecution Service of Canada.

The Department has two types of expenditures: operating expenditures ($619.2M or 64 percent of total expenditures) and transfer payments ($353.1M or 36 percent of total expenditures). The operating expenditures are predominantly devoted to staff and related costs (salary, training, office equipment, etc.). About 59 percent of the Department's total spending was devoted to the delivery of prosecution services and of integrated advisory, litigation and legislative legal services to client departments and agencies. A significant portion (35 percent) of the operating expenditures incurred in delivering legal services is recovered from client departments and agencies.

2006-2007 Actual Spending by Type of Expenditures



As well, 41 percent of the departmental budget is directed to transfer payment programs and their associated funding mechanisms including contributions to the provinces and territories to assist in the delivery of youth justice services, legal aid and access to justice services in support of federal policy objectives. This includes the administration of the transfer payment programs as well as the activities associated with the development of related laws and policies.

Factors influencing our operating environment

There are many factors that influence our operating environment and thus affect our priority setting and planning. This section provides several key examples of outside influences that impact on our policy and program development, as well as the effective management of the delivery of high quality legal services.

Public Confidence in the Justice System

Canadians rely on the justice system to provide an independent and impartial forum for resolving disputes. The Department is keenly interested in the degree to which the public has confidence in the justice system writ large. In a recent study carried out by the Department[3], we found that the majority of respondents to a national survey perceive that the family justice system is meeting the needs of Canadian families. As well, more than half of the respondents indicated that they perceive family court judges and family court staff as helping people to sort out and resolve their family justice issues, and 59 percent of respondents indicated that they were "likely" or "very likely" to recommend that a friend or family member go to the family justice system for assistance.[4]

For the criminal justice system, the Department of Justice study found that the majority of respondents believe that Judges, Crown Attorneys and police treat all people fairly. When asked how confident they were in the different functions of the criminal justice system, respondents indicated lower levels of confidence in the experiences of victims, in preventing youth crime and in reducing levels of crime.[5]

Transparency and Accountability

On December 12th, 2006, the *Federal Accountability Act (Fed AA)* received Royal Assent. Through the *FedAA* and accompanying Action Plan, the Government of Canada brought forward specific measures to help strengthen accountability and increase transparency and oversight in government operations.

In line with the Government's Accountability initiative, Canada introduced *Criminal Code* amendments to enable Canadian ratification of the *United Nations Convention Against Corruption.* This important convention includes in the preamble that parties to the Convention are, *"concerned about the seriousness of problems and threats posed by corruption to the stability and security of societies, undermining the institutions and values of democracy, ethical values and justice and jeopardizing sustainable development and rule of law."*[6]

An international organization, Transparency International[7], has developed a Corruptions Perceptions Index to track and report on citizens' perceptions and experiences with regard to corruption in their countries. In 2006, Canada was ranked 14th out of 163 countries around the world with an overall score of 8.5 on a scale ranging between 10 (highly clean) and 0 (highly corrupt).

In 2007, Canada's ranking improved to 9th out of 180 countries.

[3] *Public Confidence in the Justice System* (McDonald et. al., forthcoming)

[4] In another recent study (Beaupré, Pascale and Elisabeth Cloutier. Navigating Family Transitions: Evidence from the General Social Survey, 2006. General Social Survey, Cycle 20: Family Transitions Survey, Statistics Canada), Statistics Canada found that 14 percent of all persons recently separated or divorced made use of Alternative Dispute Resolution which involves professional services such as mediation and conciliation which are available as an alternative to the court system. These services are intended to help separating and divorcing persons to resolve conflict and make decisions in a collaborative manner.

[5] *Public Confidence in the Justice System* (McDonald et. al., forthcoming)

[6] UN Convention against Corruption - Preamble

[7] Transparency International, a composite index that draws on multiple expert opinion surveys that poll perceptions of public sector corruption, www.transparency.org

Creation of the Office of the Director of Public Prosecutions

One of the key commitments under the Action Plan that accompanied the *Federal Accountability Act* was the establishment of the Office of the Director of Public Prosecutions. In order to address the requirements of the *Director of Public Prosecutions Act*, with few exceptions, all employees of Federal Prosecution Service (FPS) within the Department of Justice became employees of the Public Prosecution Service of Canada (PPSC) on December 12th, 2006. This resulted in a transfer of approximately 15 percent of Justice employees to the new organization.

Jurisprudence – the Duty to Consult

As the Government's "law firm", it is incumbent upon Justice counsel to assess the implications of a wide variety of outcomes in the court system – both civil and criminal – and incorporate these analyses in the delivery of legal advisory, litigation and legislative services with a view to effectively managing legal risk. The Supreme Court of Canada decision in *Mikisew Cree First Nation v. Canada* confirmed the Crown's "duty to consult" with First Nations and stated that this "*duty arises when the Crown has knowledge, real or constructive, of the potential existence of the Aboriginal right or title and contemplates conduct that might adversely affect it.*"[8] The implications of this ruling are far-reaching for a number of government departments and agencies. Consequently, the Department has been working closely with client departments, particularly in the Business and Regulatory and Aboriginal Portfolios, to ensure that the government meets its obligations to consult with First Nations.

Working with partners

The justice system is multi-tiered and includes partners such as nongovernmental and community-based organizations who assist us in generating innovative, cost-effective ways of delivering services that improve access to the justice system, including access to justice in both official languages and to ensure it is relevant and responsive to a diverse society. Similarly, we work with federal departments and agencies in areas such as safety and security and Aboriginal justice to help achieve overarching Government of Canada strategic outcomes.
Some of our other key partners include:

- the Canadian public, including non-governmental and community-based organizations;
- Parliamentarians;
- the Judiciary, the Bar, La Chambre des notaires du Québec;
- law faculties and the research community;
- approximately 50 federal client departments and agencies[9];
- Provinces and Territories; and
- foreign governments and international organizations, directly and in conjunction with Foreign Affairs and International Trade Canada.

[8] *Mikisew Cree First Nation v. Canada* (Minister of Canadian Heritage), [2005] 3 S.C.R. 388, 2005 SCC 69, para 33.
[9] While the Department refers to federal departments and agencies as "clients" for ease of understanding, it is important to note that all work is done on behalf of the Crown, not a specific branch of the Government of Canada

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

OVERVIEW - Strategic Outcome I: A fair, relevant and accessible justice system that reflects Canadian values.

The Department of Justice works with partners across the federal, provincial and territorial levels of governments and with stakeholders across Canada to provide a fair, relevant and accessible justice system that responds to Canadians' needs and expectations for a justice system that provides an independent and impartial forum for resolving disputes. Two main program activities contribute to the achievement of this strategic outcome.

Program Activity Name: A. 1 Developing policies and laws

Under Canada's federal system, the administration of justice is an area of shared jurisdiction between the federal government and the provinces and territories. Through this program activity, the Department fulfils its constitutional responsibility to ensure a bilingual and bijural national legal framework for the administration of justice by developing policies and laws to strengthen the framework within the following domains: criminal law, youth criminal justice, sentencing, marriage and divorce, access to justice and Aboriginal justice.

Financial Resources (in millions of dollars)**:**

Planned Spending	Authorities	Actual Spending
$ 31.1	**$ 42.2**	**$ 37.5**

Human Resources (in full-time equivalents):

Planned	Actual	Difference
260 FTEs	**260 FTEs**	**0 FTEs**

Program Activity Name: A. 2 Developing and implementing programs

Through this program activity, the Department provides significant ongoing funding to provinces and territories in support of their constitutional responsibility for the day to day administration of justice. The department also uses discretionary grants and contributions with provincial and territorial governments and with non-governmental organizations in order to test innovative approaches to strengthen the Canadian legal framework.

Financial Resources (in millions of dollars):

Planned Spending	Authorities	Actual Spending
$ 382.2	$ 373.0	$ 363.0

Human Resources (in full-time equivalents):

Planned	Actual	Difference
107 FTEs	107 FTEs	0 FTEs

Strategic Priorities

During the reporting period, the Department of Justice focused its policy, law and program development efforts in support of a fair, relevant and accessible justice system in five priority areas. The following sections identify our accomplishments over the fiscal year.

Priority A: Protecting Canadian communities

Key Results	Achievements
- Addressing public concerns related to community safety and public security	- Drafted and introduced Bill C-10 on May 4th, 2006 to establish mandatory minimum prison sentences for gun crimes. - Drafted and introduced Bill C-9 on May 4th, 2006 to restrict use of conditional sentences for serious crimes. - The report on the Commons Committee review of the *Anti-terrorism Act* was introduced on March 27th, 2007 and a response will be tabled in 2007-2008. - The report on the Senate Committee review of the *Anti-terrorism Act* was introduced in February, 2007.
- Protecting children and youth from sexual exploitation	- Drafted and introduced Bill C-22, on June 22nd, 2006. This *Act* proposes raising the age of consent for engagement in sexual activity from 14 to 16 years of age.
- Enhancing investigative tools and techniques	- Drafted and introduced Bill C-18, a series of technical amendments to strengthen Canada's DNA data bank laws. - Drafted and introduced Bill C-23 to amend various provisions of the *Criminal Code (CC)* in relation to criminal procedure, language of accused, etc. - Drafted and introduced Bill C-32 to amend laws in relation to impaired and drug impaired driving.

During the reporting period, the Department supported the Government's tackling crime agenda with the development of 11 bills introduced in Parliament. These bills were developed and designed to address issues of importance to Canadians with an emphasis on ensuring: that effective and appropriate justice is administered to criminals; that Canadians are better protected from dangerous offenders; and that children are further protected from sexual exploitation. Additionally, the Department supported the government by drafting amendments to enable Canada to ratify the United Nations Convention Against Corruption.

Canada's anti-terrorism legislation was the subject of two important Parliamentary reviews during 2006-2007, one by the House of Commons and one by the Senate. The Department supported the government throughout the review process and will contribute to the development of the Government's response to the Commons Committee report (tabled in Parliament on March 27th, 2007).

The Annual Report of the Attorney General of Canada on the use of the investigative hearing and the recognizance with conditions under the *Anti-Terrorism Act (ATA)* was tabled and placed on the Department's website. A resolution seeking authorization of the House to extend the sunsetting provisions of the *ATA* for three years (related to the investigative hearings and the recognizance with conditions provisions) was tabled in February 2007.

The Department also worked with other federal departments, including the Department of Health and the Department of Public Safety and Emergency Preparedness, to develop a new national anti-drug strategy. This work included the preparation of proposals to make communities safer and healthier through drug prevention and treatment, and by combating the production and distribution of illicit drugs.

Priority C: Strengthening youth criminal justice

Key Results	Achievements
- Addressing concerns related to youth justice	- Ground work laid for broad consultations on youth justice reforms including pre-trial detention. - Discretionary funding for bail supervision programs and chronic offenders - Implementation of the Youth Crime Prevention - Guns, Gangs and Drugs initiative.
- Financial assistance to support the Provinces and Territories in administering youth justice services	- Youth Services funding agreements with the provinces and territories were re-negotiated for five year period to March 31st, 2011. - Supplementary agreements to provide financial support for the Intensive Rehabilitative Custody and Supervision sentencing option were extended by one year.

Over the course of the reporting period, the Department has been actively engaged in laying the groundwork for an analysis and possible development of youth justice reforms. By way of example, as a result of recent events, including Nova Scotia's Nunn Commission, and concerns raised by research findings, heads of corrections, judges, provincial and territorial governments, academics, practitioners, and others about pre-trial detention in the youth justice system, the Department developed background materials to support a broad consultation process with the Provinces and Territories and key stakeholders to explore issues, policies and operational considerations around the use of pre-trial detention under the *Youth Criminal Justice Act (YCJA)*.

During 2006-2007, the Department completed negotiations and entered into new five year financial agreements with the Provinces and Territories for the provision of youth justice services in support of federal policy objectives. Under the new agreements, the federal government will provide funding to the Provinces and Territories over the period from 2006-2007 through 2010-2011 to support the ongoing administration of the youth justice system.

Additionally, the federal government extended by one year (until March 31st, 2008) separate supplementary agreements providing financial support for the implementation of the Intensive Rehabilitative Custody and Supervision sentencing options.

The Department also provided discretionary grants and contribution funding to Provinces, Territories, nongovernmental organizations, Aboriginal organizations and youth justice stakeholders to respond to emerging issues and to contribute towards achieving a fairer and more effective youth justice system. Specific areas of focus included pilot projects dealing with bail supervision programs and chronic offenders, and strategies for addressing youth involvement with guns, gangs and drugs.[10]

[10] Further details about the TPP spending are found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

Priority D: Improving the experience of victims of crime

Key Results	Achievements
- Facilitating access to victim services for victims	- Victims Fund provided financial support to 394 registered Canadian victims to attend National Parole Board hearings. - The Victims Fund supported 63 projects that addressed the needs of victims of crime and supported the implementation of victim related legislation
- Establishment of new Victims' Ombudsman	- The office of the Federal Ombudsman for Victims of Crime was established in March 2007.
- Establishment of new policies and programs to improve the experience of victims of crime	- New policies to address issues related to assistance for Canadians victimized in the territories and Canadians victimized abroad were announced in March 2007. - New programs to improve the experience of victims of crime were announced in March 2007 and will be implemented beginning in April 2007.

The Department takes a leadership role in coordinating an overall federal strategy for victims of crime, including all relevant federal legislation and programs. In May 2006, the federal budget allocated an additional $13 million per year to give victims a more effective voice in the federal corrections and justice system and to give victims greater access to services such as travel to appear at parole hearings. The new resources were shared with The Department of Public Safety and Emergency Preparedness Canada (Correctional Services Canada and the National Parole Board), where program enhancements for victims of crime within their mandates were secured.

As part of its ongoing support for Victims of Crime, the Department administers a Victims Fund. During 2006-2007, the Fund provided financial support to 394 registered Canadian victims to attend National Parole Board hearings; this is more than twice as many recipients from 2005-2006. The Fund also supported 63 projects that assisted community organizations, victims' advocates, and provincial and territorial governments to address the needs of victims of crime or to implement victim related legislation.

The PCVI also chairs a Victims Advisory Committee comprised of members of victim-focussed non-governmental organizations, which enhances the Department's ability to develop research, laws and policy that take into consideration the perspectives of victims of crime, and works with colleagues in the Northern Region of the PPSC to provide support for Federal Crown Witness Coordinators (CWCs) in the three territories. In 2006-2007, the PCVI provided salary dollars for three CWCs and met with the Victims Advisory Committee.

A new major activity undertaken during the year was the establishment of the Canadian National Victims of Crime Awareness Week (NVCAW) to raise awareness of the needs, services, legislation and assistance available to victims of crime. The first ever Awareness Week was held in April 2006 and will continue each April on an ongoing basis.

Another major undertaking during the reporting period involved supporting the government in its commitment to establish the office of the Federal Ombudsman for Victims of Crime in order to better meet the needs of victims of crime in matters of federal jurisdiction. The Ombudsman was appointed in April 2007 and reports directly to the Minster of Justice.

Priority E: Improving efficiencies in the justice system and the efficient delivery of legal services to Government [11]

Key Results	Achievements
- Options assessed to streamline and improve the administration of justice	- The Steering Committee on Justice Efficiencies and Access to the Justice System reviewed jury reform and the use of technology in courtrooms.

During fiscal year 2006-2007, the Steering Committee on Justice Efficiencies and Access to the Justice System reviewed, among other things, two issues that the federal, provincial and territorial Ministers Responsible for Justice asked it to review: jury reform and the use of technology in courtrooms. The Steering Committee also discussed issues pertaining to unrepresented accused. During their meeting in October 2006, the Ministers Responsible for Justice accepted the Steering Committee's report on the priority review of case files.

[11] Activities and accomplishments with regard to the efficient delivery of legal services to government are discussed later in this document under Strategic Outcome II.

Priority F: Improving access to justice

Key Results	Achievements
- Financial assistance to support the Provinces and Territories to enable access to legal aid	- One-year Legal Aid contribution agreements signed with the ten provinces to extend funding at 2005-2006 levels for the 2006-2007 fiscal year. - One-year Access to Justice Services Agreements signed with the three territories to extend funding at 2005-2006 levels for 2006-2007.
- Addressing issues related to overrepresentation of Aboriginal people in the Justice system	- Successful community based diversion programs, sentencing circles or panels, family and civil mediation in Aboriginal communities. - Justice related training and development programs in Aboriginal communities. - Access to culturally sensitive services to Aboriginals involved in the criminal justice system.
- Access to justice for minority language groups	- Training and development for justice system practitioners in minority language issues.
- Coming into force of amended Child Support Guidelines	- Amended Federal Child Support Guidelines came into effect on May 1st, 2006. This included modifications in response to the introduction of the new Universal Child Care Benefit (UCCB).
- Enhanced capacity for recalculation of child support amounts.	- Entered into Memoranda of Agreement with Manitoba and Prince Edward Island on a mechanism to recalculate child support amounts ordered under the *Divorce Act*. - The Federal Child Support Guidelines: Step-by-Step booklet published in 2006.
- Enhanced awareness of child support guidelines and family justice issues	- Implementation of web-based portal for accessing information on federal and provincial family justice programs and services.

The Department undertook a number of key activities during 2006-2007 in support of improving access to justice. In 2006-2007, the Access to Justice in Both Official Languages Support Fund funded a broad range of awareness and information projects addressing needs identified by official language minority communities, thereby contributing to the establishment of an increasingly relevant and accessible justice system for all Canadians. During the year, French training projects reached a very large number of people involved at all levels of the justice system in all regions of the country, thereby increasing the capacity of the system to offer justice services in both official languages. In addition, diverse networks and partnerships formed through projects funded by the Fund helped build the capacity to offer justice services in both official languages. The summative evaluation of the Access to Justice in Both Official Languages Support Fund was also started during the year. The three other key activity areas under this priority are Legal Aid, Aboriginal Justice and Family Justice.

Legal Aid

The provision of criminal legal aid[12] is integral to the effective and appropriate functioning of Canada's criminal justice system. For more than 35 years, the Department of Justice has provided funding in support of criminal legal aid service delivery by the provinces and criminal and civil legal aid by the territories through contribution agreements. Funding for legal aid in the territories is provided through Access to Justice Services Agreements that integrate funding for legal aid, Aboriginal Courtwork, and public legal education and information services.

During 2006-2007, the Department of Justice negotiated a one-year extension of the agreements respecting legal aid with the provinces and territories at the 2005-2006 funding levels. As a result, contribution agreements were signed with the ten provinces and Access to Justice Services Agreements were signed with the three territories. As such, extension of funding for an additional year has enabled jurisdictions to continue activities under the Investment Fund such as increased or expanded duty counsel services; *Brydges* duty counsel[13] for adults and youth; after hours access to legal aid services, access to legal advice and information through telephone law lines and call centres, access to legal aid and information in remote rural locations, increased access and enhanced services for Aboriginal persons, official languages minority persons, hard to serve populations (e.g. mental health clients, homeless persons, youth); earlier access to legal aid services and training for legal aid lawyers and Aboriginal Courtworkers.

In addition, a formative evaluation of the federal Legal Aid Program covering the period 2003-2006, was completed in December 2006. This activity provided the opportunity to gain a preliminary understanding of the extent to which the three-year legal aid strategy contributed to the delivery of legal aid services in Canada, the benefits and challenges associated with a targeted funding approach (i.e. Investment Fund) and the issues confronting the delivery of legal aid services in Canada. As a result, the Department has commenced discussions with the provinces and territories for the development of a longer term strategy for legal aid.

Further details regarding the report can be found at http://www.justice.gc.ca/en/ps/eval/reports/06/legaid/sum/index.html.

[12] Further details about the TPP spending are found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

[13] *Brydges* duty counsel provide summary legal advice to accused persons upon arrest and/or detention, informing them of their Constitutional rights, most commonly through a telephone hotline or alternatively, in person.

Aboriginal Justice

"Aboriginal peoples occupy a distinct social, cultural and political status within Canada as bearers of constitutionally protected Aboriginal and Treaty rights."[15] However, Aboriginal people are over-represented in the criminal justice system, both as victims and accused. In 2005, Aboriginal people comprise 3 of Canada's population, yet make up about 20 percent of the population serving sentences in custody[16]. Aboriginal people continue to be over-represented in the criminal justice system, both as victims and accused. When Aboriginal people come into contact with the justice system as victims or accused, their needs – related to culture, economic positions and social circumstances – must be taken into account to make the system more relevant and effective for them. One of the federal government's key responses to addressing these issues has been the Aboriginal Justice Strategy (AJS).

In 2006-2007, the AJS co-funded with provinces and territories, over 100 community-based justice programs serving approximately 400 Aboriginal communities, and funded 18 justice related training and development projects across Canada. These programs and projects include diversion programs, sentencing circles or panels, family and civil mediation and other justice activities in Aboriginal communities.

An evaluation of the Aboriginal Justice Strategy completed in 2007 demonstrated the positive impacts of the Strategy. Specifically, the evaluation noted a number of key findings and benefits.[17] For example, AJS program participants were less than half as likely to re-offend as those who did not participate in an AJS program and the positive impact on offender recidivism was sustained over time (offenders were tracked for at least 4 years following their participation in an AJS program).

As well, the community-based justice programs:

- provided offenders with an opportunity to take responsibility for their actions, to learn from their mistakes, to understand the impact of their actions on the victim and to give back to their communities;
- gave victims a voice in the process; and
- provided victims with an opportunity to face the offender and a means of better under standing the offender, including the offender's background and the circumstances that led to the offence.

The Department also has a longstanding Aboriginal Courtwork Program that contributes to a fair, relevant, accessible justice system by providing direct services to Aboriginal people involved in the criminal justice system to help ensure fair, just, equitable and culturally sensitive treatment. The Department contributes funding to support Aboriginal Courtwork services in the provinces through Aboriginal Courtwork agreements and in the territories through the Access to Justice Services Agreements. The Aboriginal Courtwork Program is the only ongoing national justice contribution program available to all Aboriginal people (adult and youth), regardless of status and residency.

[15] Collecting Data on Aboriginal People in the Criminal Justice System: methods and challenges, Canadian Centre for Justice Statistics, Statistics Canada, May 2005, p.7.
[16] Ibid., page 6.
[17] http://www.justice.gc.ca/en/ps/eval/index.html

A formative evaluation of the Aboriginal Courtwork Program was conducted during 2006-2007.[18] The evaluation confirmed that the program is on track with management and process issues, and determined the data requirements that will inform the summative evaluation in 2007-2008. The Department also uses other discretionary grants and contributions to support projects and activities that address needs and concerns specific to Aboriginal people, including their representation in the justice process. Areas that focus on these needs include Legal Aid, the Policy Centre for Victim Issues (PCVI), the Justice Family Violence Initiative and the Youth Justice Policy Unit.[19]

Family Justice

Key activities during 2006-2007 included amendments to the *Federal Child Support Guidelines*, including updated child support tables, which came into effect on May 1st, 2006. A further amendment, which took effect on April 1st, 2007, was made to the *Federal Child Support Guidelines* in response to the introduction of the new Government benefit - the Universal Child Care Benefit (UCCB).

The Minister of Justice entered into Memoranda of Agreements under section 25.1 of the *Divorce Act* with the provinces of Manitoba (July 2006) and Prince Edward Island (September 2006) and pursued negotiations with Newfoundland and Labrador and Quebec. Manitoba and PEI both had previously established provincial child support services to recalculate child support ordered under provincial family legislation. With these agreements, the provincial recalculation services will be in a position to also recalculate child support amounts ordered under the *Divorce Act*. As a result, children of divorced parents in Manitoba and Prince Edward Island will be able to benefit from recalculation, as do children whose parents have separated or never married.

The DOJ also developed, in collaboration with the provinces and territories, an "Inventory of Government-based Family Justice Services" which is posted on the departmental Internet site. The Inventory is a user-friendly tool that is accessible to all Canadians with the objective of enabling an individual in any province or territory to obtain information concerning the government-based family justice services in their jurisdiction and elsewhere in Canada.

The DOJ's *Child Support (http://canada.justice.gc.ca/en/ps/sup/)* and *Parenting After Divorce* (http://canada.justice.gc.ca/en/ps/pad/) websites provide useful and highly sought after information for Canadian families. During 2006-2007 there were 565,354 downloads of research reports on topics of child support, custody, access and enforcement of support and 1,757,260 downloads of public legal education materials such as, the Step-by-Step Guide to the Federal Guidelines, the provincial or territorial Federal Child Support Tables and the Divorce Law Questions and Answers. In relation to support enforcement activities, DOJ continued to work with the provinces and territories on improving federal regulations, services and developing national and international policies in this area. On behalf of provinces and territories, the total amount of dollars garnished and distributed to Canadian families to satisfy child and spousal support obligations in 2006-2007 was $119,704,408. During the same period, DOJ received and processed 10,831 applications for suspension or denial of passports and federal licenses held by debtors in persistent support arrears. In addition, DOJ received and processed 24,886 tracing applications from provinces and territories seeking to find support debtors.

[18] http://www.justice.gc.ca/en/ps/eval/index.html
[19] Further details about the TPP spending are found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp
[20] Further details about the TPP spending are found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

The total number of calls to Family, Children and Youth Information Line was 11,386 - of these:

- 3,340 were calls on how the guidelines work;
- 946 were calls on enforcement; and
- 486 were calls on the new guidelines.[21]

OVERVIEW - Strategic Outcome II: A federal government that is supported by effective and responsive legal services

Under the *Department of Justice Act*, the Minister of Justice and Attorney General provides legal services to the federal government and its departments and agencies, including the provision of legal advice, the conduct of litigation, the drafting of legislation and the preparation of legal documents.

The Department of Justice is one of a number of key federal organizations that support all Government of Canada outcomes by providing common services to government departments and agencies[21] and as such, the Department is focused on supporting all government departments in achieving their priorities in delivering results for Canadians.

Program Activity: B.1 Providing legal advisory, litigation and legislative services

As a common service provider, the Department of Justice provides an integrated suite of legal advisory, litigation and legislative services to departments and agencies to help them meet their policy and programming priorities and advance the overall objectives of the government. Through this program activity, the Department also provides legal services to the Justice Portfolio and supports the Minister as legal advisor to the Cabinet on complex, whole of government issues.

Financial Resources (in millions of dollars):

Planned Spending	Authorities	Actual Spending
$ 508.6	**$ 515.7**	**$ 461.0**

Human Resources (in full-time equivalents):

Planned	Actual	Difference
3623 FTEs	**3625 FTEs**	**2 FTEs**

[21] See "Canada's Performance 2006: The Government of Canada's Contribution – Annual Report to Parliament", http://www.tbs-sct.gc.ca/report/govrev/06/cp-rc_e.asp.

Program Activity: B.2 Providing prosecution services [22]

This program activity involves prosecuting criminal and regulatory prosecutions for offences under federal jurisdiction.

Financial Resources (in millions of dollars):

Planned Spending	Authorities	Actual Spending
$ 83.8	$ 97.7	$ 112.7

Human Resources (in full-time equivalents):

Planned	Actual	Difference
793 FTEs	820 FTEs	27 FTEs

Strategic Priorities

Supporting other departments and agencies in the delivery of government priorities creates a distinct context for planning, setting priorities and measuring performance. The Department works with its clients to develop and advance their priorities, providing legal services that are responsive, timely and effective. Excellence in service delivery is critical, especially in the context of the consistent growth in both the complexity and the demand for legal services. This factor, viewed as a challenge across government, is felt acutely both by the Department of Justice and by the departments and agencies to whom we provide services.

During the reporting period, the Department of Justice focused its legal services efforts to support the federal government in three strategic priority areas: protecting Canadian communities, improving government accountability, and improving efficiencies in the justice system and the efficient delivery of legal services to Government.

Priority A: Protecting Canadian Communities

In addition to the activities described under Strategic Outcome A, there were a number of activities and initiatives in support of this priority that were carried out by the former Federal Prosecution Service and are addressed in the "Public Prosecution Service of Canada" section beginning on page 47.

[22] The Program Activity of B2: Providing Prosecution Services is no longer included in the Department of Justice's Program Activity Architecture. As of December 12th, 2006, with the creation of the Public Prosecution Service of Canada (PPSC), the majority of the Department's prosecution activities were assumed by the new organization. Because this machinery change occurred during the reporting period, and because the PPSC's costs were managed by the Department of Justice until March 31st, 2007, their performance report is included in this document. In future years, the PPSC will submit its own DPR to Parliament as it did with the 2007-2008 Report on Plans and Priorities.

Priority B: Improving Government Accountability

Key Results	Achievements
- Enhanced mechanisms for government accountability	- Tabling and passage of the *Federal Accountability Act* including reforms to the *Access to Information* and *Privacy Acts*. - Creation of the Public Prosecution Service of Canada (PPSC).

In support of the Government's commitment to improve the accountability of the federal public sector and the federal access to information regime, the Department provided legal and policy advice and drafted comprehensive legislation (the *Federal Accountability Act (FedAA)*), which was passed by Parliament. This comprehensive legislation included the *Director of Public Prosecutions Act* as well as a number of changes to the *Access to Information Act (ATIA)* and the *Privacy Act (PA)*

In supporting this major Government initiative, the Department provided extensive support on a wide range of legal and policy issues. These included: dealing with coming-into-force clauses; complaint mechanisms involving the Offices of the Information Commissioner and the Privacy Commissioner; interpretation of various new definitions, exemptions and other clauses; and drafting of new regulations to ensure consistency with the new legislation.

The creation of the new Public Prosecution Service of Canada (PPSC) represented one of the most significant machinery changes in the history of the Department of Justice. The new PPSC replaced the former departmental Federal Prosecution Service (FPS) and has assumed responsibility for the conduct of prosecutions under federal jurisdiction.

The Department of Justice and PPSC worked collaboratively during 2006-2007 to implement the necessary structural and operational changes and to ensure that there were no disruptions in services to Canadians during the transfer of responsibilities. The machinery change resulted in approximately 700 Department of Justice employees being transferred to the new organization. Work will continue during 2007-2008 to ensure that long-term agreements and structures are in place to allow both organizations to fulfill their respective responsibilities.

Priority E: Improving Efficiencies in the Justice System and the Efficient Delivery of Legal Services to Government [23]

Key Results	Achievements
- Effective management of resources	- Levels of effort devoted to provision of legal services. - Risk management of litigation inventory. - Use of ADR to resolve disputes.
- Representing Crown's interests to enable government to attain its priorities	- Crown results for litigation files. - Profile of major Supreme Court of Canada cases. - Comprehensive delivery on the Government's legislative agenda.
- Client focused service delivery	- Client feedback from 24 departments and agencies on responsiveness, timeliness and usefulness of services.

[23] Activities and results related to improving efficiencies in the justice system were discussed earlier in this document under Strategic Outcome I.

Effective Management of Resources

Portfolios

An important element of the effective management of resources is ensuring that we are organized in a manner that ensures that we are able to deliver effective and responsive legal services across the federal government. In this vein, the Department's legal services are provided on a "portfolio" basis. Six portfolios encompass the entire range of federal departments and agencies.

Aboriginal Portfolio

The Aboriginal Affairs Portfolio is responsible for the provision of legal advice to federal government departments on a wide spectrum of Aboriginal law issues including Aboriginal rights and title; duty to consult; treaty rights; the fiduciary relationship of the Crown with Aboriginal people; and constitutional, including Charter issues relating to Aboriginal law. This includes advice on the strategic management, resolution and coordination of Aboriginal litigation in which the Government is involved, or has a vested interest, legal advice in support of the broad array of operational activities undertaken by Indian and Northern Affairs Canada (INAC) pursuant to its legislative mandate, and legal support to comprehensive land claims, specific claims or self-government negotiations between the Federal Government and Aboriginal groups. It provides strategic policy advice on Aboriginal issues with a focus on issues that come within the responsibility of the Minister of Justice. The Portfolio also provides full services legal support to the Office of Indian Residential Schools Resolution Canada.

Tax Law Portfolio

The Tax Law Portfolio is responsible for providing a full range of legal services to the Canada Revenue Agency (CRA) , including legal advice, litigation services, training, drafting services, legal issues coordination and risk management. The Minister of National Revenue is responsible for more than 30 statutes and regulations. Most legal issues are in the Income Tax, GST, and Employment Insurance areas.

The majority of legal services are delivered through seven regional Tax Law Services sections, located in Halifax, Montreal, Ottawa, Toronto, Saskatoon/Winnipeg, Edmonton, and Vancouver. Portfolio headquarters includes the Office of the Assistant Deputy Attorney General, the National Litigation Coordinator, and the Legal Services Unit located at the CRA. Portfolio counsel are highly specialized and understand the CRA's business and its responsibility for the administration of tax laws and various social and economic benefit and incentive programs delivered through the tax system. Counsel provide services on complex issues concerning the CRA's unique governance model, its development of new business partnerships, collection of debts, confidentiality of taxpayer information, excise duties and taxes, income taxation, international taxation, GST/HST, investigations of fraud. The Portfolio also works closely with the Tax Counsel Division at Department of Finance to develop proposals for amendments to federal fiscal statutes and regulations.

Central Agencies Portfolio

The Central Agencies Portfolio is responsible for the delivery of legal services to the Department of Finance, the Treasury Board, the Public Service Commission, the Office of the Superintendent of Financial Institutions, the Financial Transactions and Reports Analysis Centre of Canada and the Financial Consumer Agency of Canada.

Portfolio counsel manage critical horizontal legal, policy and operational issues related to the central agency functions of government. The Portfolio provides legal expertise related to: financial institutions, public service employment law, labour law, tax law, Crown law, financial law, money laundering, terrorism, machinery of government and the federal budget.

While there is a specialized Branch (i.e., Legislative Services Branch) within the Justice Portfolio that is responsible for drafting (and providing related advisory services) for government legislation, Central Agencies Portfolio is responsible for legislative drafting related to Tax Law and the federal budget.

Business and Regulatory Law Portfolio

The Business and Regulatory Law Portfolio has a very wide scope providing legal services to all federal government departments and agencies whose mandates have in common a strong regulatory or business law component. Legal services on strategic, operational and a broad range of legal issues is provided through 23 departmental legal services units located directly with client departments as well as the network of Department of Justice regional offices.

Citizenship, Immigration and Public Safety Portfolio

The Citizenship, Immigration and Public Safety Portfolio supports the responsibilities of the Minister of Citizenship and Immigration Canada and the Minister of Public Safety and Emergency Preparedness Canada by providing a full range of strategic legal services (legislative, advisory and litigation) to the Department of Public Safety and Emergency Preparedness (PSEPC) and its agencies, to the Department of Citizenship and Immigration (CIC) and to the Department of Justice's Crimes Against Humanity and War Crimes Section. It has also been called upon extensively to support the government in relation to Commissions of Inquiry.

Justice Portfolio

The Justice Portfolio includes those legal services related to issues specific to the Minister of Justice. As well, through the Justice Portfolio the department fulfils its central agency responsibilities with regard to coordinating legal services on issues that cut across multiple areas of government.

Specialized Legal Expertise

Additionally, the Department maintains specialized expertise in order to be able to act as a core resource for federal government departments and the government as a whole on highly specialized areas of the law, on litigation and on legislative and regulatory drafting.

The Public Law Sector

The Public Law Sector is made up of a number of specialized legal advisory and policy sections. It comprises experts on human rights law, constitutional and administrative law, information law and privacy, aviation law, trade law, public international law, private international law, judicial affairs, and public law policy. The various sections combined are a core resource for the Department, offering highly specialized legal policy expertise and assisting the Department in fulfilling its central agency role as coordinator of legal advice across government.

The Public Law Sector also provides extensive support to the Government in the development of national and international policies, laws, and other instruments. This support includes policy development and legal advisory services on issues specific to the Justice portfolio as well as legal advisory services to client departments engaged in the development of legislation and policies across government.

The Official Languages Law Group

The Official Languages Law Group provides federal departments, agencies and institutions with legal advice on language rights, and monitors and identifies legal issues pertaining to language rights within the federal government.

The Legislative Services Branch

The Legislative Services Branch provides drafting, revision and advisory services to the Government for both bills and regulations to establish and maintain the legislative framework for government policies and programs. Bills introduced in Parliament – and regulations made by the Governor in Council and other delegates – must address the subject matter in both English and French and respect the *Canadian Charter of Rights and Freedoms* and the *Canadian Bill of Rights* along with other laws. As well, bills and regulations must reflect Canada's common law and civil law traditions where appropriate. The Branch is also responsible for the publication of federal laws, notably an electronic consolidation of Acts and regulations that is available on the Internet.

The Litigation Branch

The Litigation Branch has functional authority nationally with respect to the practice of civil litigation across portfolios. Towards the latter part of the year, and as a direct result of the coming into force of the *FedAA*, the Civil Litigation Branch was reorganized into a new Litigation Branch which includes the existing Civil Litigation area as well as a new Criminal Law Division comprised of the National Security Group, the International Assistance Group and the Criminal Law Group, resulting in an increased mandate, structure and operational framework for the Branch.

The Associate Deputy Attorney General (ADAG), Litigation Branch, as Chairperson of the National Litigation Committee (NLC) directs the operations of the Committee that, during the reporting period, included the approval of high-profile factums, approval of high-profile submissions to international tribunals; responses to requests to intervene or *amicus curiae* in international courts, and consideration of requests to appeal.

The Litigation Branch continued its work towards a new Legal Services Outsourcing Program Framework to modernize the appointment and management of agents. The Framework includes an Outside Counsel Assessment model which integrates the key principles and features of a modern system of procurement of legal services.

The Dispute Prevention and Resolution Services

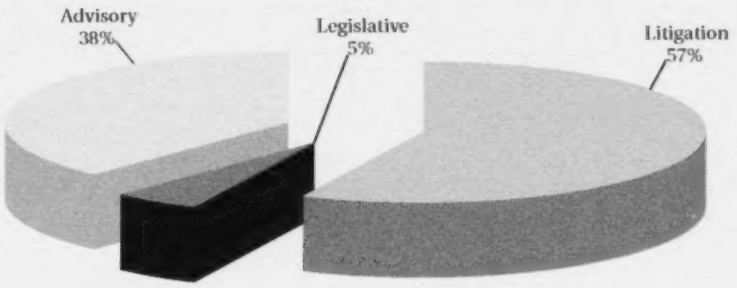
The Dispute Prevention and Resolution Services group is focused on providing services to departments supporting long-term prevention and early resolution of disputes. These client-focused services include legal advisory support, training and systems design, all of which are linked to the departmental priorities of improving practice management and managing the volume of litigation.

Results Achieved

Throughout the remainder of this sub-section, summary information is provided to demonstrate the Department's efforts aimed at effectively managing resources in the provision of effective and responsive legal services to government.

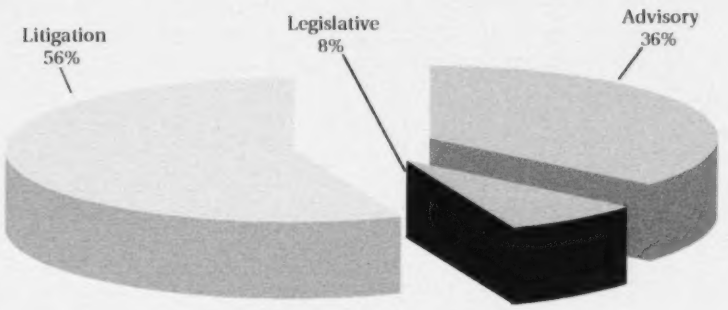
Figure 2: Distribution of Active File Inventory and Associated Levels of Effort

Distribution of Active Legal Files by File Type



• Total number of active legal files worked on in 2006-2007: 66,564 files

Level of Effort Dedicated to Legal Files



• Total level of effort dedicated to providing legal services: 1,973,187 professional hours

A large portion of our work is devoted to managing litigation files. As can be seen in Figure 2, the active file inventory during the reporting period breaks down as follows: approximately 57 percent of files were litigation files; 38 percent were advisory files; and the remaining five per cent were legislative files.[24] There is a high correlation between the volume of files and the levels of resources devoted to managing them as demonstrated by the fact that litigation files accounted for approximately 56 percent of the total level of effort devoted by legal counsel to substantive files, while advisory files accounted for 36 percent and legislative files accounted for 8 percent.

One of the means that the Department employs to effectively manage resources is to apply dispute resolution mechanisms other than litigation to resolve disputes between parties where possible and appropriate. Over the course of 2006-2007, 3,864 active files were resolved through the use of dispute resolution mechanisms other than litigation.[25]

As the government's law firm, the demand for services is quite varied covering a broad variety of areas of practice. To meet this broad and varied demand, the Department delivers services through six portfolios. The Department also maintains the capacity to deliver legal services across the country through its regional offices. This regional capacity is an important element of ensuring the responsiveness of our services as demonstrated by the fact that over one half of the active file inventory and associated levels of effort are centered in the regional offices.

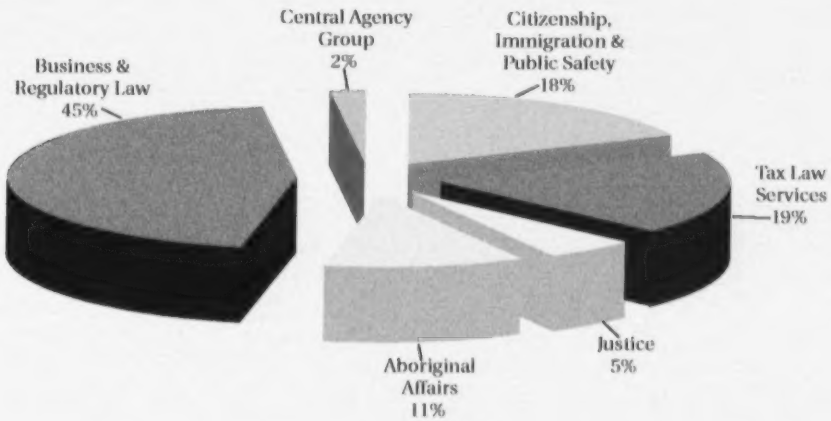
As can be seen in Figure 3, the Business and Regulatory Law Portfolio accounts for almost one half of the file inventory and the associated levels of effort of departmental legal counsel. Some of the major files involving the provision of legal advisory services by the Portfolio to client departments dealt with environmental and major procurement issues, historic redress mechanisms and regulatory action in relation to health and safety.

[24] The data presented with respect to the distribution of active files and level of effort is reflective of the departmental case management system as of April 17, 2007. Active legal files consist of advisory, legislative and litigation files for which time was logged between April 1st, 2006 and March 31st, 2007. In 2006-2007, the majority of departmental branches and individual work units used the department's standard case management and timekeeping system (i.e., iCase). However, during the fiscal year, some units converted to (14 units) or had not yet begun to migrate (3 units) to the department's standard system. As a result some of the department's files and associated levels of effort are not reflected in the data presented in this report. In total, these units account for 265 FTEs which represents 15 percent of the total number of departmental legal counsel FTEs devoted to the provision of legal services to government. As a result of these two factors, the numbers identified in this report understate the total volume of files and associated level of effort. It is anticipated that the 2008-2009 data will cover all departmental branches and units associated with the provision of legal services to the Government of Canada.

[25] To be considered an ADR file, a file has to be closed through one of the following mechanisms: arbitration, settlement by negotiation, settlement by voluntary mediation, settlement by mandatory mediation, settlement by consent and settlement by alternative judicial process.

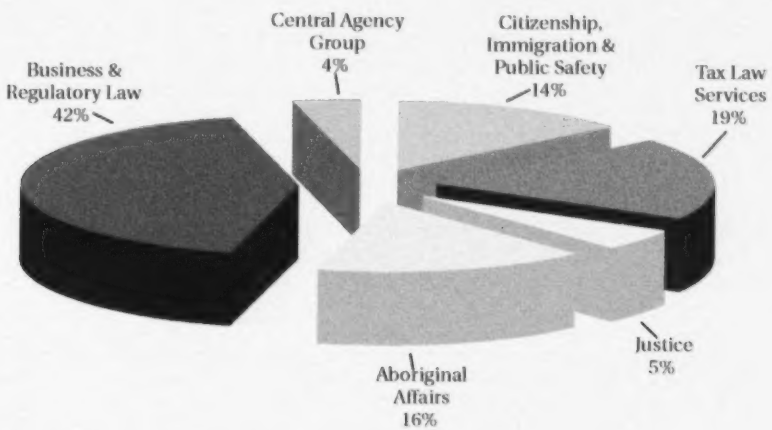
Figure 3: Distribution of Active Files and Associated Levels of Effort by Portfolio and Region

Distribution of Active Legal Files by Portfolios


Central Agency Group 2%
Citizenship, Immigration & Public Safety 18%
Business & Regulatory Law 45%
Tax Law Services 19%
Justice 5%
Aboriginal Affairs 11%

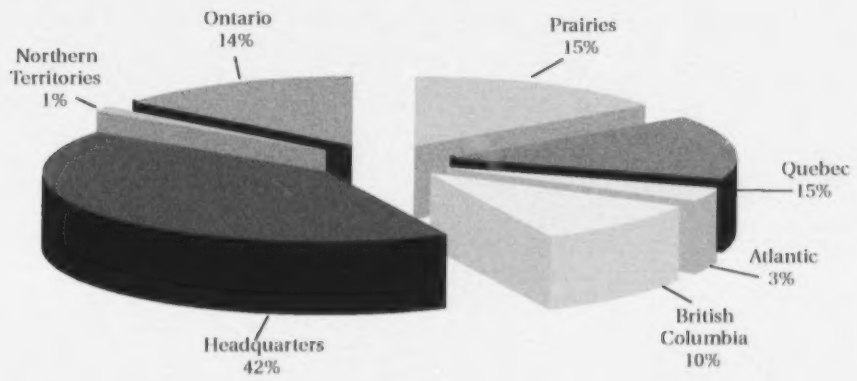
• Total number of active legal files worked on in 2006-2007: 66,564 files

Level of Effort Dedicated to Legal Files by Portfolios


Central Agency Group 4%
Citizenship, Immigration & Public Safety 14%
Business & Regulatory Law 42%
Tax Law Services 19%
Justice 5%
Aboriginal Affairs 16%

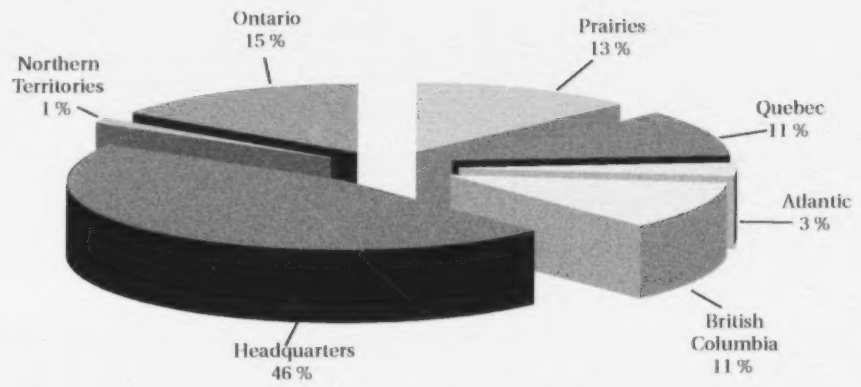
• Total level of effort dedicated to providing legal services: 1,973,187 professional hours

Distribution of Active Legal Files by Region



• Total number of active legal files worked on in 2006-2007: 66,564 files

Level of Effort Dedicated to Legal Files by Region



• Total level of effort dedicated to providing legal services: 1,973,187 professional hours

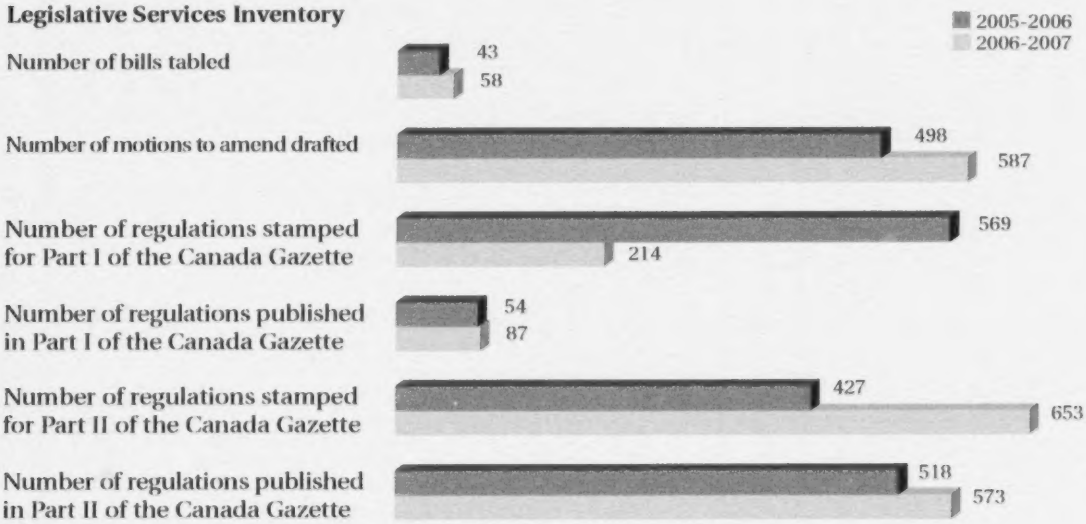
The Tax Law and Citizenship, Immigration and Public Security Portfolios each account for just less than one fifth (19 percent and 18 percent respectively) of the active file inventory and the associated levels of effort (19 percent and 14 percent respectively). Some of the major advisory files within the Tax Law Portfolio included assisting the Canada Revenue Agency in delivering the Universal Child Care Benefit, supporting the development of the Softwood Lumber Agreement, and the development of an ongoing initiative for implementation of a single administration of the Ontario's provincial corporate taxes.

The Citizenship, Immigration and Public Safety Portfolio was very engaged in providing support to the government in relation to the Commission of Inquiry into the Actions of Canadian Officials in Relation to Maher Arar, the Commission of Inquiry into the Investigation of the Bombing of Air India Flight 182, and the Commission of Inquiry into the Actions of Canadian Officials in Relation to Abdullah Almalki, Abou-Elmaati and Muayyed Nureddin.

The Aboriginal Law Portfolio accounts for 11 percent of the active file inventory and 16 percent of the total levels of effort. Some of the major advisory files focussed on Specific Claims Reform, matrimonial real property, and policy development applicable to comprehensive claims and negotiations

While the Central Agencies Portfolio represents only about two per cent of the total volume of legal files, counsel are actively involved in some very high profile files including passage and implementation of the *Federal Accountability Act*, and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA)*. The Portfolio has also established a Centre of Expertise to provide legal advisory and litigation services to the employer and deputy heads in staffing recourses filed under the new *Public Service Employment Act*. Through the efforts of this Centre of Expertise, legal developments in the area of staffing recourses are in keeping with the intent of the *Public Service Modernization Act*.

Figure 4: Year over Year changes in Legislative Services Inventory



• In 2006-2007, 58 bills were tabled and over 500 revised regulations were published in Part II of the Canada Gazette.

All Government legislation tabled in the House is drafted by the Department of Justice. Over the course of the reporting period, the Department supported the Government in pursuing a comprehensive legislative agenda. As part of the on-going harmonization initiative, all new federal legislation was revised systematically to ensure compatibility with provincial private laws; as well as several changes were initiated in 2006-2007 to existing tax, aboriginal and other federal legislation to similarly ensure its bijural application. Figure 4 presents an overview of the Department's accomplishments in supporting the Government's legislative agenda. In total, the Department drafted 58 Bills that were tabled in Parliament. This represents a year-over-year increase of 35 percent in the volume of legislative Bills.

The Department was very much engaged in drafting motions to amend Bills. Year-over-year, the total volume of motions drafted increased by 18 percent.

There was a large decrease in the volume of regulations stamped for Part I of the Canada Gazette (year-over-year decrease of 62 percent) however this was balanced by a significant increase in the volume of regulations stamped for Part II of the Canada Gazette (increase of 53 percent). The Department is responsible for the drafting of all Federal Government regulations.

Managing Legal Risk

Legal risk management applies to all government activities where legal risk may arise, from policy development to program implementation and service delivery and, of course, to litigation. Consequently, the management of legal risks is a joint responsibility between client departments and the Department of Justice.

Legal risk management is a part of virtually all the legal and policy work that the Department undertakes. Sometimes it is required during the early days of an issue to avoid litigation. Other times it occurs when an issue or a case assumes a higher profile and senior officials and ministers need to be informed as to the nature of the legal risk involved.

In supporting our clients with high quality legal services, the Department continues to work to ensure the institutionalization of a culture of legal risk management across the federal government. Some of our key activities in this regard involve:

- scanning for legal risks to identify, avoid, mitigate or manage them early on;
- exploring ways to reduce legal risks through instrument choice;
- exploring alternatives to litigation where disputes arise;
- identifying, monitoring and being responsive to legal trends that may affect the Government and emphasizing strategic litigation decisions for managing risks across government;
- contingency planning for high impact litigation cases; and
- client training to raise awareness of legal risks and in identifying potential mitigation strategies.

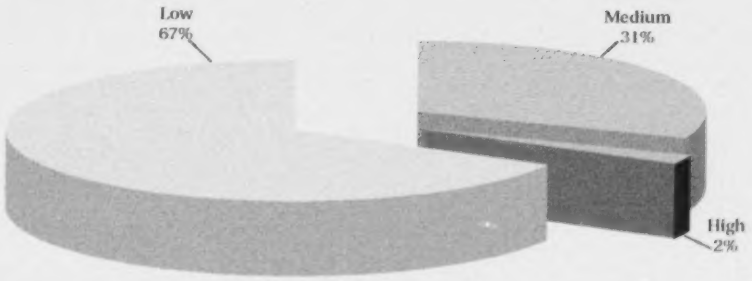
The Government of Canada is involved in litigation on a broad range of issues that may have a profound impact on policies, programs and finances. The Government requires the best available legal advice to argue a case, anticipate possible outcomes, assess the potential impact of an adverse outcome and develop options to reduce the chances of an adverse outcome or to mitigate its effects.

The Department actively tracks legal risk in the active litigation file inventory.[26] Figure 5 presents aggregate information regarding the breakdown of the active litigation inventory by levels of risk and the associated impacts of risk on departmental resources.

Risk levels have a major impact on workloads and the amount of flexibility we have in managing legal files. By way of example, while only about two per cent of the active litigation inventory was identified as high risk, these files accounted for one quarter of the total level of effort devoted to litigation files by departmental counsel. Figure 5 also demonstrates the Department's approach of assigning responsibilities to progressively more senior counsel to address the high risk files; approximately 60 percent of the time spent by the most senior departmental counsel on litigation files is devoted to high risk files.

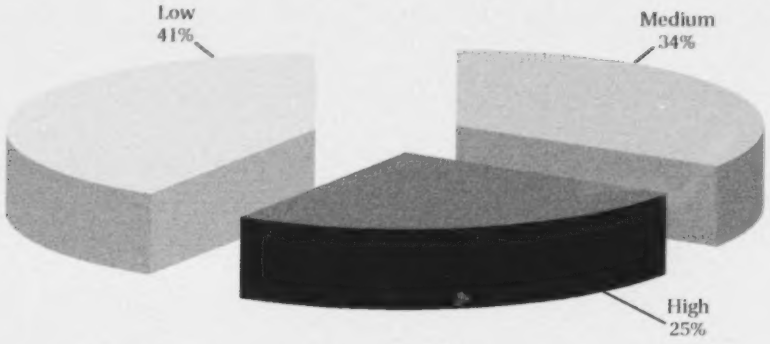
Figure 5: Managing Legal Risk in Litigation Files

Active Civil Litigation Inventory by Risk Level



• Total civil litigation files for which risk was identified: 29,387 files

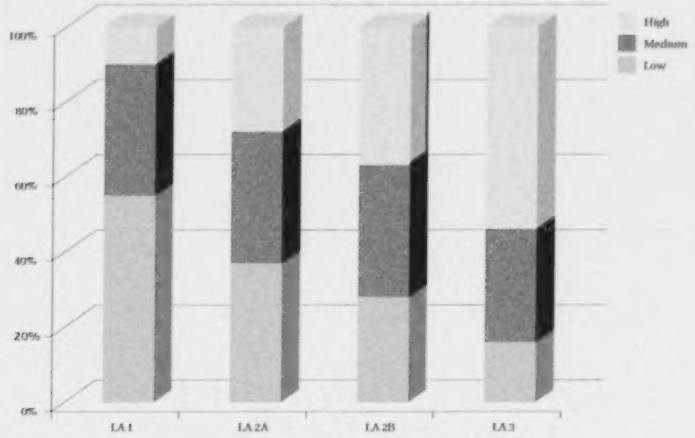
Level of Effort for Civil Litigation Files by Risk



• Total level of effort dedicated to Civil Litigation files: 893,688 professional hours

[26] Data provided on active civil litigation inventory by risk level only includes the files for which a risk level was identified (29,387 files) and does not take into account 8,286 active files. Some files might not have a risk level identified for various reasons (e.g., the file has not been assessed yet or it is too early to identify an accurate risk level). The risk levels associated with files presented in this report is reflective of the departmental case management system as of April 17, 2007. The level of effort presented for civil litigation files by risk and by level of counsel only includes time logged against files for which a risk level was identified (893,688 hours) and excludes 209,516 hours logged on files for which no risk level was identified.

Total Levels of Effort Devoted to Low, Medium and High Risk Litigation Files by Level of Counsel

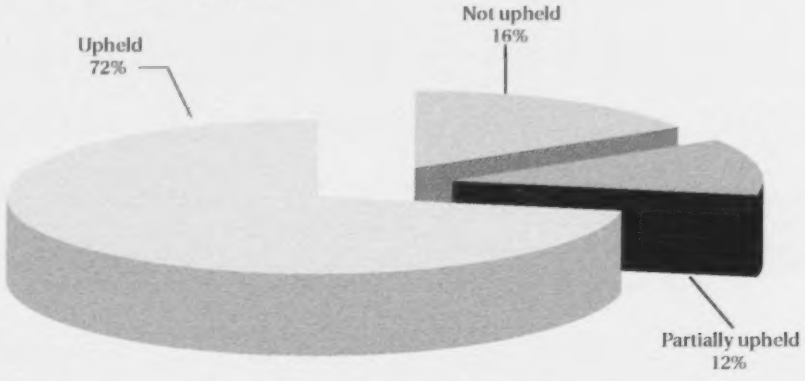


• Higher risk files consume proportionately more senior effort than lower risk files.

Representing the Crown's Interest to Enable Government to Attain Its Priorities

The Department is actively involved in representing the Crown's interest in a broad range of ongoing litigation. Figure 6 summarizes the Crown results for litigation files closed during the past fiscal year.[27] The Crown's position was upheld on all issues in approximately three quarters of the litigation files closed during the past year. In a further 12 percent of the files, the Crown's position was partially upheld (i.e., on some but not all of the issues the Crown's position was upheld). In approximately one sixth of the files the Crown's position was not upheld.

Figure 6: Crown Results in Litigation Files



• 13,820 civil litigation files were closed or were part of the closing inventory with an identified Crown's position.

[27] Crown results presented with respect to civil litigation files only include active files for which a final result was identified. It excludes 1,771 litigation files closed/transferred for administrative reasons and for which a Crown result does not apply.

The following subsections provide highlights of some of the major litigation files upon which the Department was actively engaged in the past year. The highlighted files are by no means exhaustive, they are meant to provide a sense of the breadth and range of litigation files upon which the Department is engaged across the country.

Aboriginal Affairs Portfolio

In the Aboriginal Affairs Portfolio, one of the major files in which the Department has been actively involved for the past number of years concerns the legacy of Indian Residential Schools. During the reporting period, counsel from all across the portfolio (NCR and regions) were instrumental in negotiating and drafting an agreement to settle the Indian Residential Schools claims and in obtaining Court approval for the Settlement Agreement. The Settlement Agreement was approved by the Courts of nine jurisdictions in December 2006 and January 2007. The total cost of the settlement is projected to be $3.955 billion. This settlement represents the largest class action settlement in Canada and has been described as an historic agreement.

Within the Prairies Region, the Federal Court of Appeal heard appeals in the *Samson Cree Nation and Ermineskin Cree Nation v. HMTQ (Victor Buffalo litigation)*. The appeals related to the historical and moneys management phases of the trial. The Courts have upheld Canada's position that the interest on Indian moneys was properly calculated and managed.

Also, the Federal Court in *MacKenzie Gas Pipeline* ruled the Dene Tha' were not properly consulted when the regulatory apparatus for the pipeline was created five years ago. The federal government is appealing aspects of the decision. Canada and the Dene Tha' have reached an agreement, finalized on June 28th, 2007, on the settlement of a number of issues between them.

The Quebec Regional Office was actively engaged in the *Coon Come v. Minister of Indian Affairs and Northern Canada* in which the Cree of Quebec have a claim against Canada for over $4.5 billion in damages. They criticize Canada for significant deficiencies in the implementation of the James Bay and Northern Quebec Agreement signed in 1975. Canada's failure to meet several constitutional obligations and contractual commitments are the basis of this claim. On February 23, 2007 – the federal chief negotiator and the Cree chief negotiator signed the principal agreement.

The Ontario Regional Office was involved in *Six Nations of the Grand River v. Canada and Ontario* which stems from the occupation of land in Caledonia, Ontario. The matter involves other levels of government and multiple stakeholders.

Business and Regulatory Law Portfolio

The Legal Services Unit at Human Resources and Social Development Canada (HRSDC), in collaboration with colleagues from the Public Law and Litigation Sectors, provided support for the national class action case of *Canada (Attorney General) v. Hislop* at the Supreme Court of Canada. In this case, persons (or their estates) who had been in same-sex relationships and whose partners died before January 1, 1998, sought survivor's pensions for which they were ineligible under the Canada Pension Plan. The Supreme Court held that the time limits on survivors' pensions for same-sex common-law partners violated the Charter right to equality. However, the majority of the court did not award retroactive benefits as far back as 1985, which were sought by the plaintiff class. The majority provided new and important guidance to courts on the criteria for deciding whether retroactive remedies should be applied in constitutional cases.

Some important litigation within this Portfolio was managed from the Quebec Regional Office. By way of examples, in *Société Radio-Canada (SRC) et al. v. PG Québec, PG Canada et al.* the media challenged the validity of amendments made to the Rules of Procedure prohibiting the broadcasting of official recordings of hearings and restricting the use of cameras in Quebec court houses. The Superior Court of Quebec refused the media's motion and found that Parliament rightly exercised its criminal jurisdiction and that the rules adopted are justified under section 1 of the *Canadian Charter of Rights and Freedoms*. This ruling is currently under appeal.

In *Canada (Attorney General) v. JTI-Macdonald Corp.* more than a decade of concentrated work by the Quebec Regional Office, Public Law and Health Canada Legal Services counsel culminated in a successful outcome before the Supreme Court of Canada. The government of Canada defended the advertising restrictions under the *Tobacco Act* against a challenge by three tobacco companies. The Court recognized the complexity of the task facing legislators when dealing with tobacco, particularly where youth smoking is concerned.

Tax Law Services Portfolio

The Supreme Court of Canada rendered a decision on one of the major litigation files in the Tax Law Portfolio in October 2006 (i.e., *the Imperial Oil & Inco* cases). The Supreme Court agreed with the Crown position that certain foreign exchange losses were not deductible under subsection 20(1) (f) of the *Act*. The cases have been widely discussed in the tax community and are considered by the CRA and Finance to be of considerable importance. Also, at the Appellate level, the Crown's interpretation of tax Collection Agreements was sustained in the Manitoba Court of Appeal in the *Gendis* case and the ambit of the audit and investigatory powers of the CRA were maintained in the Federal Court of Appeal in the *Redeemer Foundation* case. *Redeemer Foundation* has now obtained leave before the Supreme Court of Canada.

In the Prairies Region, the Department has been actively involved in a major transfer pricing case (*Glaxo Smithkline v. HMTQ*). The issue in the appeal is whether Glaxo, a multinational drug manufacturer, transferred input costs from Canada to a subsidiary in a lower tax jurisdiction, thereby by-passing lower-priced Canadian suppliers. Transfer pricing negatively impacts the tax base and this case is one of the first to consider the transfer pricing provisions of the *Income Tax Act*.

Citizenship, Immigration and Public Safety Portfolio

The Citizenship, Immigration and Public Safety Portfolio was actively engaged in a number of national security certificate cases including *Almrei, Jaballah* and *Mahjoub*. Many of these cases were managed from the Ontario Regional Office.

The BC Regional Office was actively involved in *Deacon v. Attorney General of Canada* wherein a convicted pedophile who was made subject to a supervision order following completion of his custodial sentence challenged the medication condition in Federal Court, arguing that the *Corrections and Conditional Release Act* does not give the National Parole Board the power to impose such a condition and the imposition violates the 'principles of fundamental justice' guaranteed by s. 7 of the *Charter*. The Federal Court dismissed Deacon's application and that decision was upheld by the Federal Court of Appeal. Leave to appeal to the Supreme Court of Canada was dismissed.

Central Agencies Portfolio

Within the Central Agencies Portfolio there was a significant increase in litigation related to pension plan matters. The Portfolio also supported the Office of the Superintendent of Financial Institutions in responding to four applications for judicial review regarding pension plans. These applications raise complex legal issues. In particular, two of them (regarding the pension plans for Marine Atlantic and Rogers Communications) flow from Supreme Court of Canada decisions in *Monsanto Canada Inc. v. Ontario (Superintendent of Financial Services)* and *Buschau v. Rogers Communications Inc.*

Justice Portfolio

The British Columbia Regional Office was actively involved in *Christie, Dugald* in which the Supreme Court of Canada unanimously allowed an appeal by the Attorney General of British Columbia and upheld the constitutional validity of a provincial tax on legal services on the basis that the Constitution did not guarantee any general access to legal services.

Canadian Bar Association v. HMQ in Right of the Province of BC et al. (BCSC) - The Canadian Bar Association (CBA) seeks to establish a constitutional right to civil legal aid. On September 5th, 2006 the BC Supreme Court dismissed the CBA's action on the ground that the CBA lacked public interest standing to bring the action as well as on the ground that the claims by the CBA for alleged violations of written and unwritten constitutional norms and breach of Charter rights failed to disclose a reasonable cause of action. The amount at risk is in the billions of dollars. The CBA's appeal to the Court of Appeal is scheduled for Fall 2007.

Milgaard Inquiry into the Wrongful Conviction of David Milgaard involved counsel representing 12 parties, including the Federal Minister of Justice and the RCMP. Evidence was heard over a two year period and addressed allegations of police and prosecutorial incompetence and cover-up. Commissioner MacCallum's report is expected later this year.

Client focussed Service delivery

As part of the Department's efforts to ensure high quality legal services, we have launched a standardized survey to gauge client perceptions of the legal advisory, legislative and regulatory drafting, and litigation services to government.[28] The Department has adopted a standardized approach to gauging client perceptions in order to:

- establish a baseline of information;
- identify areas where service improvements may be needed; and
- jointly monitor, with our clients, progress over time in addressing any identified issues.

There are many determinants of client perceptions of services, programs and products. However, extensive research completed over the past two decades has identified three core elements that are important predictors of overall perceptions of service quality – timeliness, responsiveness, and usefulness.

Accordingly, the DoJ survey concentrates primarily on measuring these three core predictors with a particular focus on the following individual elements for each:

[28] To date, about one half of government departments and agencies have participated in the survey.

Timeliness

- provision of services in a timely manner
- negotiating mutually agreed-upon deadlines
- meeting mutually agreed-upon deadlines

Responsiveness

- provision of services in official language of choice
- provision of services in a courteous and respectful manner
- understanding the nature of the problems/issues for which the client was seeking assistance
- advising on issues and developments which may impact the client's department or agency
- provision of regular and informative feedback to the client on the status / progress of the file
- use of alternative dispute resolution, where appropriate
- identified opportunities for early settlement of cases, where appropriate

Usefulness

- provision of clear and practical guidance to the client
- involvement of the client in developing legal strategies and positions
- developed legal strategies appropriate to client's policy and/or program objectives
- identification of legal risks
- working with the client to manage legal risks
- resolution of the problems/issues for which the client was seeking assistance

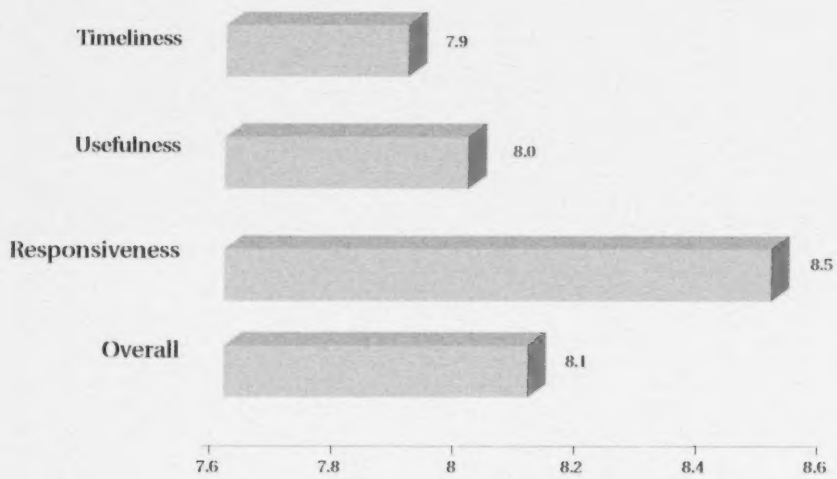
The survey questionnaire uses a ten point scale to garner client feedback.[29] In the absence of benchmarks, the Department set a target score of 8.0 for each of the three elements of service quality. The survey results are presented below.

As can be seen, client feedback is very positive regarding the timeliness, usefulness and responsiveness of our services. The results presented Figure 7 represent composite scores for responsiveness, usefulness and timeliness. These scores represent an aggregated average score for each individual element used to measure usefulness (six elements), timeliness (three elements) and responsiveness (seven elements).[30] The Department will continue to roll-out the survey and will read minister the survey on a three year cyclical basis.

[29] The questionnaire and survey methodology were developed in partnership with Statistics Canada and the approach was determined to meet or exceed the Auditor General's recommendations for quality and reporting of surveys (*The Quality and Reporting of Surveys* – November 2005). The web-based survey was distributed via e-mail as a result of partnerships with the Canada Public Service Agency and Public Works and Government Services. During the reporting period, the survey was administered to 24 Client Departments with a total of 12,211 employees at the EX minus 1 through EX-05 levels across government. All results are reported using a margin of error at a 95 percent confidence level. For overall results of each element of satisfaction, the margin of error is 0.3 or less. As the Department undertook a census survey of all potential respondents in the target population, sampling bias is minimal.

[30] Composite scores for each element of satisfaction are determined by finding the average on a respondent by respondent basis and then calculating the mean.

Figure 7: Feedback Survey Results



Program Activity B.2 Providing Prosecution Services
Public Prosecution Service of Canada (formerly called the Federal Prosecution Service)

The Public Prosecution Service of Canada (PPSC) is a federal government organization, created on December 12th, 2006, when Part 3 of the *Federal Accountability Act* received Royal Assent, bringing the *Director of Public Prosecutions Act* into force.

The PPSC fulfills the responsibilities of the Attorney General of Canada in the discharge of his criminal law mandate by prosecuting criminal offences under federal jurisdiction and by contributing to strengthening the criminal justice system.

In this regard, the PPSC assumes the role played within the Department of Justice Canada by the former Federal Prosecution Service (FPS), and takes on additional responsibilities for prosecuting new fraud offences under the *Financial Administration Act* as well as offences under the *Canada Elections Act*. Unlike the FPS, which was part of the Department of Justice, the PPSC is an independent organization, reporting to Parliament through the Attorney General of Canada.

Mandate

The creation of the PPSC reflects the decision to make transparent the pre-existing principle of prosecutorial independence, free from any improper influence.

The mandate of the PPSC is set out in the *Director of Public Prosecutions Act*. The Act calls on the PPSC to provide prosecutorial advice to law enforcement agencies, and to act as prosecutor in matters prosecuted by the Attorney General of Canada on behalf of the Crown.

In fulfilling its mandate, the PPSC benefits Canadians by:

- promoting effective investigations, the rule of law, and respect for the rights of Canadians by providing pre-charge legal advice to investigative agencies;
- upholding federal laws through principled and independent decisions by prosecutors; and
- instilling confidence in the administration of justice by conducting prosecutions that result in a judicial determination on the merits of the case.

Governance

The PPSC reports to Parliament through the Attorney General of Canada. The *Director of Public Prosecutions Act* states that the Director of Public Prosecutions acts "under and on behalf of the Attorney General of Canada." The relationship between the Attorney General and the Director is premised on the principles of respect for the independence of the prosecution function and the need to consult on important matters of general interest.

Safeguarding the Director's independence is the requirement that all instructions from the Attorney General be in writing and published in the *Canada Gazette*. In turn, the Director must inform the Attorney General of any prosecution or planned intervention that may raise important questions of general interest, allowing the Attorney General the opportunity to intervene in, provide a directive relating to, or assume conduct of, a case. Additionally, the PPSC must provide the Attorney General with an annual report for tabling in Parliament.

Powers, Duties, and Functions of the Director

The core powers, duties, and functions of the Director of Public Prosecutions are set out in subsection 3(3) of the *Director of Public Prosecutions Act*. These responsibilities include:

- initiating and conducting federal prosecutions;
- intervening in proceedings that raise a question of public interest that may affect the conduct of prosecutions or related investigations;
- issuing guidelines to federal prosecutors;
- advising law enforcement agencies or investigative bodies on general matters relating to prosecutions and on particular investigations that may lead to prosecutions;
- communicating with the media and the public on all matters respecting the initiation and conduct of prosecutions;
- exercising the authority of the Attorney General of Canada in respect of private prosecutions; and
- exercising any other power or carrying out any other duty or function assigned by the Attorney General that is compatible with the office of the Director.

When carrying out these statutory responsibilities, the Director is the Deputy Attorney General of Canada. Unless otherwise directed in writing by the Attorney General, the Director has the power to make binding and final decisions to prosecute offences under federal statutes.

Role of the Prosecutor

Canadian courts expect a great deal from prosecutors, who are subject to ethical, procedural, and constitutional obligations. Traditionally, their role has been regarded as that of "a representative of justice" rather than that of "a partisan advocate." Their functions are imbued with a public trust. Prosecutors are expected to discharge their duties with fairness, objectivity, and integrity. Their role is not to win convictions at any cost but to put before the court all available, relevant, and admissible evidence necessary to enable the court to determine the guilt or innocence of the accused. As stated by the Supreme Court of Canada in *Boucher v. The Queen*, [1955] S.C.R. 16, at 23-24:

"It cannot be over-emphasized that the purpose of a criminal prosecution is not to obtain a conviction, it is to lay before a jury what the Crown considers to be credible evidence relevant to what is alleged to be a crime. Counsel have a duty to see that all available legal proof of the facts is presented: it should be done firmly and pressed to its legitimate strength, but it must also be done fairly. The role of prosecutor excludes any notion of winning or losing; his function is a matter of public duty than which in civil life there can be none charged with greater personal responsibility. It is to be efficiently performed with an ingrained sense of the dignity, the seriousness and the justness of judicial proceedings."

Roles and Responsibilities of the PPSC

The PPSC is responsible for prosecuting offences under more than 50 federal statutes and for providing prosecution-related legal advice to law enforcement agencies. Cases prosecuted by the PPSC include those involving drugs, organized crime, terrorism, tax law, money laundering and proceeds of crime, crimes against humanity and war crimes, *Criminal Code* offences in the territories, and a large number of federal regulatory offences.

The PPSC is not an investigative agency. It prosecutes when a charge has been laid pursuant to an investigation by the Royal Canadian Mounted Police (RCMP) or some other investigative agency of a violation of federal law. The PPSC provides advice and assistance to investigators at the investigative stage and works closely with them, particularly in terrorism, criminal organization, proceeds of crime, money laundering, market fraud, and mega cases.

The responsibilities of the PPSC vary somewhat by province and territory:

- In all provinces and territories, except Quebec and New Brunswick, the PPSC is responsible for prosecuting all drug offences under the Controlled Drugs and Substances Act, regardless of which police agency investigated the alleged offences. In Quebec and New Brunswick, the only drug offences prosecuted by the PPSC are those investigated by the RCMP.
- In all provinces and territories, the PPSC prosecutes violations of federal statutes such as the *Fisheries Act*, the *Income Tax Act*, the *Excise Act*, the *Competition Act*, the *Customs Act*, the *Canadian Environmental Protection Act*, and the *Canada Shipping Act*, as well as con spiracies and attempts to violate these statutes. The PPSC also prosecutes terrorism and certain criminal organization offences under the *Criminal Code*, as well as money laundering and offence related property and proceeds of crime charges. Under arrangements with the provinces, the PPSC may also prosecute *Criminal Code* offences related to drug charges.
- In all three territories, the PPSC is responsible for prosecuting all *Criminal Code* offences and offences under other federal statutes.

On a national level, the PPSC performs a number of key roles to fulfill the criminal litigation responsibilities of the Attorney General, including:

- providing legal advice to investigative agencies and government departments on the criminal law in the context of investigations;
- participating in multidisciplinary integrated enforcement teams with members of partner organizations, including the RCMP;
- applying for various types of judicial authorizations before charges are laid to enable the police to carry out their investigations lawfully, including wiretap applications and applications for special search warrants and restraint orders;
- reviewing charges and exercising the Attorney General's discretion to prosecute;
- performing legal, financial, and strategic risk assessments and developing plans for managing the prosecution of mega cases;
- acting as prosecutor in all matters prosecuted by the Attorney General of Canada on behalf of the Crown; and
- acting as a centre of expertise for criminal law, national security, and federal prosecution matters, and providing the prosecutor's perspective on the development of amendments to federal statutes relevant to the criminal justice system.

About the Organization

The PPSC has a headquarters office in Ottawa, 11 regional offices, 5 sub-offices, and a group of federal prosecutors who specialize in competition law prosecutions. Of its approximately 670 employees, the majority are staff prosecutors supported by other professionals, such as paralegals, administrators, legal assistants, and corporate services staff.

The Year in Review

The period under review in this report begins on April 1st, 2006 and ends on March 31st, 2007. However, on December 12th, 2006, the Public Prosecution Service of Canada (PPSC) was created as a new and independent organization and on that date, the principal prosecution function of the Attorney General of Canada was transferred from the Department of Justice to the PPSC. Within the Department of Justice, the preparation and planning of prosecutors and staff resulted in a transition unmarred by operational impacts or delays.

The success of the transition can be attributed to the hard work and professionalism of employees from the PPSC and the DOJ. The PPSC is taking a gradual, phased approach to the administrative and corporate changes resulting from the creation of a new organization. This approach ensures continuity and a smooth transfer of functions and duties as the PPSC builds its organization.

A Phased Transition

The transition from the FPS to the PPSC involves three key phases:

- Phase One took place prior to December 12th, 2006. It involved an assessment of the expected corporate and business needs of the PPSC, as well as the planning and preparation necessary to meet those needs.
- Phase Two started on December 12th, 2006 when the *Federal Accountability Act* received Royal Assent and when the *Director of Public Prosecutions Act* came into force. Start-up activities for the PPSC began and prosecutorial services were transferred to the PPSC while the Department of Justice continued to provide corporate and administrative services.
- The third phase, from March 31st, 2007 onwards, will see the PPSC develop its corporate services model.

Directives and Assignments

To safeguard the independence of the PPSC, the *Director of Public Prosecutions Act* requires that all directives and assignments issued by the Attorney General be published in the *Canada Gazette*. On March 10th, 2007, one directive and two assignments from the Attorney General to the Director of Public Prosecutions were published.

Directive on the *Federal Prosecution Service Deskbook*

This Directive instructed all federal prosecutors and Crown agents acting as federal prosecutors to continue to apply the policies and guidelines set out in the *Federal Prosecution Service Deskbook (FPS Deskbook)*. The *FPS Deskbook* contains policies and guidelines for prosecutors who act on behalf of the Attorney General of Canada. It was published when the FPS carried out the prosecutorial function of the Attorney General of Canada and is available to the public through the PPSC website. [31]

Assignment on Best Practices

This Assignment gave the Director of Public Prosecutions the responsibility for developing a set of best practices for prosecuting frauds against governments. Since the PPSC's mandate includes the prosecution of the new fraud provisions in the *Financial Administration Act*, the development of best practices is a PPSC priority.

Assignment on Prosecutions through Agreement with Provincial Attorneys General

This Assignment authorized the Director of Public Prosecutions to conduct prosecutions that the Attorney General can undertake through agreements with the provincial Attorneys General, and to conduct, under the authority of provincial Attorneys General, prosecutions and related proceedings, including appeals of charges that fall under the exclusive prosecutorial authority of the province.

This assignment was given to provide greater certainty and to confirm existing practices under so-called "major-minor" arrangements or agreements, pursuant to which federal prosecutors receive authority to prosecute *Criminal Code* offences on behalf of a provincial Attorney General. This generally occurs where the *Criminal Code* offences are related to drug offences.

[31] http://www.ppsc-sppc.gc.ca/eng/pub/fpsd-sfpg.html

Similarly, provincial prosecutors are authorized by these arrangements or agreements to prosecute federal offences where the major offence is in the *Criminal Code*. Such arrangements or agreements are called "major-minor" agreements because the prosecution service having carriage of the "major" charge will prosecute the "minor" charge as well.

Communications

Communications is a priority for the PPSC. As stated in the *Director of Public Prosecutions Act*, one of the responsibilities of the Director of Prosecutions is to communicate with the media and the public on all matters relating to prosecutions. To this end, the PPSC has set and is achieving its communication goals with the release of its *Report on Plans and Priorities 2007–2008*, the creation of the PPSC website at www.ppsc-sppc.gc.ca, the production of its first annual report and this DPR, and the ongoing development of its communications plan, which aims to increase public awareness of the PPSC and confidence in the criminal justice system as it relates to prosecutions.

In 2006-2007, the Public Prosecution Service focussed its efforts in the following areas:

- Prosecution of drug, organized crime and Criminal Code offences
- Addressing criminal issues related to contributing to a safer world for Canada
- Prosecution to protect environment, natural resources, and economic health
- Achieving excellence in managing for results, including legal risk management
- Addressing the sustainability of the Public Prosecution Service

1. Prosecution of Drug, Organized Crime and Criminal Code Offences

This program activity focuses on the prosecution of drug-related crimes, organized crime, and *Criminal Code* offences throughout Canada.

Under this program activity, the PPSC is responsible for the following:

- Providing advice during police investigations and prosecuting drug charges under the *Controlled Drugs and Substances Act*, regardless of whether the case arises from a federal, provincial, or municipal police agency investigation. In Quebec and New Brunswick, however, the PPSC only prosecutes drug offences investigated by the Royal Canadian Mounted Police (RCMP).
- Prosecuting organized crime cases and, pursuant to arrangements with the provinces, *Criminal Code* offences in cases where drug offences are the "major" charges and *Criminal Code* offences are the "minor" charges.
- Prosecuting all *Criminal Code* offences in the three territories.

This was an important activity for the Public Prosecution Service in 2006-2007. During that year, 88 percent of the litigation files on which the PPSC worked involved drugs, organized crime and *Criminal Code* offences.

Within this, organized crime continued to be the substantive priority for the PPSC in 2006-2007, reflecting the priority given to this issue by the federal government, federal police and other law enforcement authorities, and the PPSC.

During 2006-2007, the PPSC also continued to implement the Intensive Prosecution Strategy for Organized Crime; continued its focus on inter-jurisdictional cooperation within the prosecutorial community, and with investigative agencies both federally, nationally and internationally; provided advice and litigation support during the investigative stage on highly complex cases; served as prosecutor on organized crime cases prosecuted by the Attorney General of Canada on behalf of the Crown; and pursued proceeds of crime and offence-related property.

While all PPSC regional offices are prosecuting organized crime cases, a number of PPSC regional offices are involved in highly complex and resource intensive cases that continued through 2006-2007 and will do so through 2007-2008, and require dedicated teams of experienced counsel.

2. Addressing Criminal Issues, in the Context of Prosecutions, to Contribute to a Safer World for Canada

The focus of this program activity is to prosecute offences under federal statutes such as the anti-terrorism provisions of the *Criminal Code*, the *Proceeds of Crime (Money Laundering) Terrorist Financing Act*, the *Customs Act*, the *Excise Act*, and the *Excise Tax Act*. This activity combats transnational crime and terrorism. The PPSC may also assist in executing extradition and mutual legal assistance requests before Canadian courts under the *Extradition Act* and the *Mutual Legal Assistance in Criminal Matters Act*. While this program activity is expected to involve a small number of cases, some will be very resource intensive and lengthy in duration.

In 2006-2007, less than 1 percent of the files on which the PPSC worked involved public safety and anti-terrorism. National security issues continue to dominate the domestic and international agenda. The international focus on the threat of terrorism and the legal ramifications of counter-terrorism measures are matters requiring judicious consideration and a balancing of the competing interests of security, liberty and privacy.

The PPSC also prosecuted cases of human smuggling and provided legal advice to federal departments in relation to investigations of suspected human smuggling.

It should be noted that on December 12th, 2006, while the PPSC became a new department of government, the International Assistance Group (IAG) and the National Security Group (NSG) that were part of the former Federal Prosecution Service, remained with the Department of Justice.

3. Prosecuting Federal Offences to Protect the Environment, Natural Resources, and Economic and Social Health

The PPSC carries out this program activity by providing advice and support to federal investigative agencies and by prosecuting federal offences under approximately 50 federal statutes.

These prosecutions include offences falling under legislation such as the *Income Tax Act*, the *Fisheries Act*, and the *Canadian Environmental Protection Act*. In cases where a specialized knowledge of specific legislation is required, teams of prosecutors with expertise on the specific statute are dedicated to the prosecutions. For example, the Atlantic Regional Office has a dedicated team of counsel devoted to prosecuting fisheries offences. In addition, PPSC counsel play a key role in the Integrated Market Enforcement Team (IMET) initiative.

In 2006-2007, the FPS/PPSC caseload in relation to these prosecutions accounted for 10.9 percent of its total litigation caseload.

4. Achieving Excellence in Managing for Results, including LRM

As part of the PPSC's performance management approach to our core business and to strengthen performance reporting, in 2006-2007, the PPSC Advisory Board continued to build on its strategic and operational business planning, improved the reports available to PPSC managers for performance management from the iCase file management system, and continued its work to strengthen PPSC performance measures and related data quality.

On the legal risk management (LRM) front, reports on cases with the highest risks are prepared and updated monthly for senior management. There has been a dedicated effort in 2006-2007 to improve the quality of LRM data on organized crime cases, through an internal auditing and validation process, which resulted in a new LRM report on mid- to high-risk organized crime cases for senior management. The LRM database has been expanded and improved in 2006-2007, and a major data quality validation was performed each quarter, to ensure that LRM data remained current and accurate.

5. Ensuring the Sustainability of the Public Prosecution Service

Under 50 federal statutes, the PPSC performed the criminal litigation responsibilities of the Attorney General of Canada and Minister of Justice, that is the prosecution and prosecution-related functions, in relation to cases referred by federal police, RCMP contract police, provincial, and municipal police forces. Over time, the workload of the PPSC has risen in response to changes in the level of police resources, their priorities (e.g. to address grow-ops and meth labs) and operational strategies. The PPSC will seek to ensure its sustainability.

Expected Results for Policy/Program/Service:

- effective prosecution of drug, organized crime and *Criminal Code* offences;
- criminal issues, in a prosecutorial context, contributing to a safer world for Canada, are addressed;
- effective prosecutions to protect the environment, natural resources, and economic and social health;
- excellence is achieved in managing for results, including legal risk management; and
- strategies are developed and implemented to address the sustainability of the PPSC.

Our Performance during 2006-2007 in Support of this Strategic Outcome:

The table below shows the PPSC performance in the delivery of prosecution services over the reporting period.

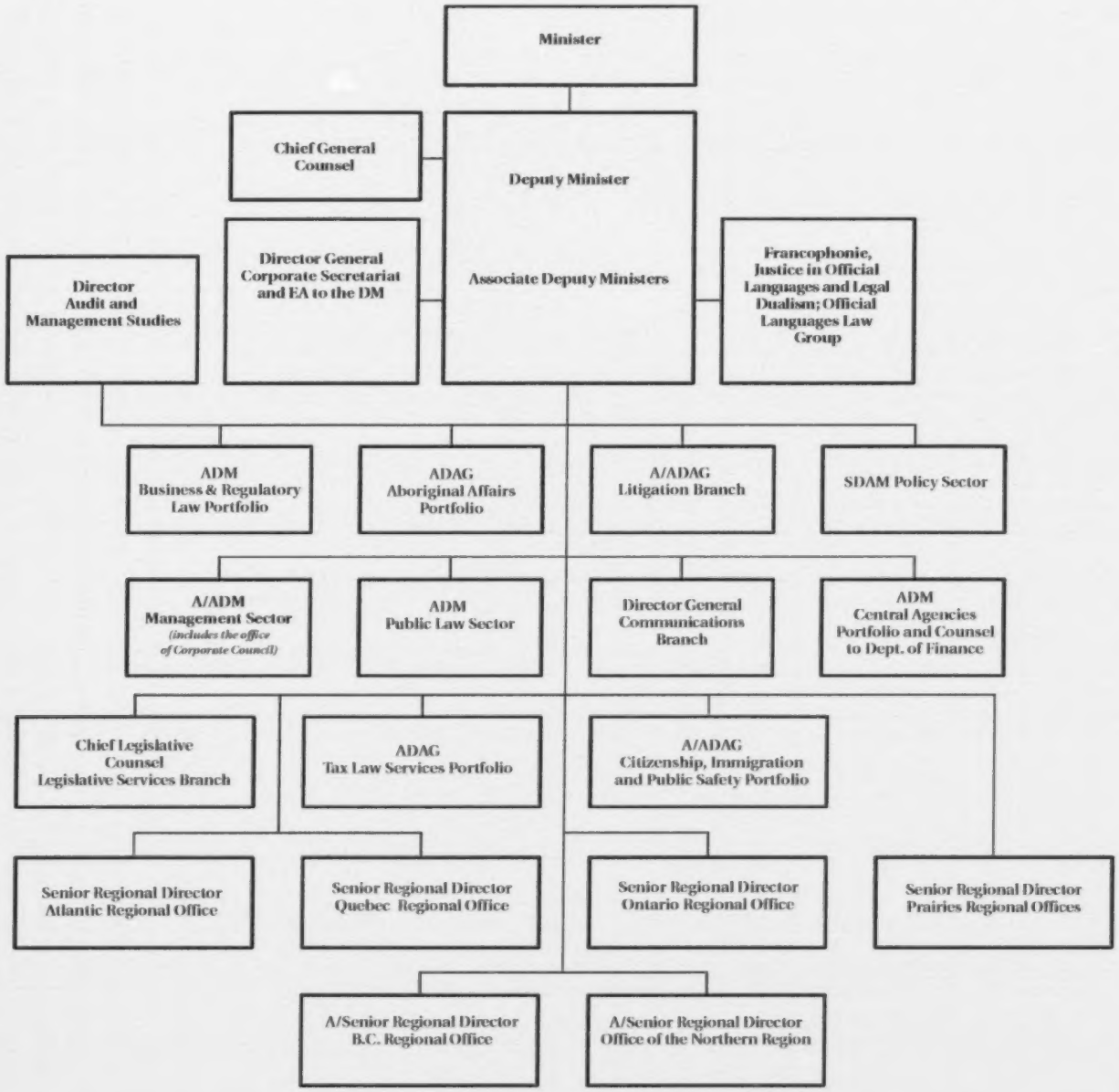
Program Activity B.2: Providing prosecution services
Expected Results: Effective pre-charge interventions/advice

Elements	Indicators	Measures	Data Collection
Effective management of PPSC caseload *(Staff prosecutors and Agents)*	Caseload	Percentage of new litigation and advisory files that were opened in the fiscal year, plus carry-over files i.e. files opened in previous fiscal years against which time was recorded in the new fiscal year, for: • Drugs, organized crime and *Criminal Code* offences: 88% • Public safety and anti-terrorism files: 0.4% • Regulatory prosecutions: 10.9% • Other: 0.7%	iCase file management system
(From this point Staff prosecutors only)	Complexity of caseload	Breakdown of cases by complexity i.e. low, moderate, high complexity: • Low: 61% • Moderate: 35% • High: 3% • Mega: 1%	iCase file management system
	New files where pre-charge advice provided	Percentage of new files where pre-charge advice was provided by level of complexity, for: 1. Based on the % of new files with Advice by complexity level • Organized crime: Mega: 67% High: 18% Moderate: 15% Low: 7% • Public safety and anti-terrorism High: 65% Moderate: 37% Low: 45% 2. Based on the % relative to the total number of Regulatory Advisory files • Regulatory prosecutions: Mega: 0.5% High: 7.6% Moderate: 66.5% Low: 17.8% N/A: 7.6%	iCase file management system

Elements	Indicators	Measures	Data Collection
Effective Prosecutions	Outcome of cases decided on merit Outcomes of cases not pursued for prosecution	Outcomes of cases decided on merit, based on most serious outcome: • Guilty pleas: 75.2% • Guilty plea to lesser offence: 4.8% • Conviction: 16.2% • Conviction of a lesser offence: 0.3% • : 3.5% Outcomes of cases not pursued for prosecution: • stayed by the Crown: 37% • withdrawn: 53% • charges declined: 1% • diverted: 9%	iCase file management system
Maintaining public confidence in the administration of criminal justice	Trends in public confidence in the criminal justice system	Joint measure of police and prosecution services.	General Social Survey
Achieving excellence in managing for results, including legal risk management	Legal risks are identified and managed	Reports on cases with the highest risks are prepared and updated monthly for senior management.	PPSC
	Improved PPSC data quality	95% completion of key data for new litigation files opened and files closed during the fiscal year, for in-house counsel files.	iCase file management system

SECTION III – SUPPLEMENTARY INFORMATION

Organizational Information


Minister
Chief General Counsel
Deputy Minister
Associate Deputy Ministers
Director Audit and Management Studies
Director General Corporate Secretariat and EA to the DM
Francophonie, Justice in Official Languages and Legal Dualism; Official Languages Law Group
ADM Business & Regulatory Law Portfolio
ADAG Aboriginal Affairs Portfolio
A/ADAG Litigation Branch
SDAM Policy Sector
A/ADM Management Sector (includes the office of Corporate Council)
ADM Public Law Sector
Director General Communications Branch
ADM Central Agencies Portfolio and Counsel to Dept. of Finance
Chief Legislative Counsel Legislative Services Branch
ADAG Tax Law Services Portfolio
A/ADAG Citizenship, Immigration and Public Safety Portfolio
Senior Regional Director Atlantic Regional Office
Senior Regional Director Quebec Regional Office
Senior Regional Director Ontario Regional Office
Senior Regional Director Prairies Regional Offices
A/Senior Regional Director B.C. Regional Office
A/Senior Regional Director Office of the Northern Region

DM - Deputy Minister
SADM - Senior Assistant Deputy Minister
ADM - Assistant Deputy Minister
ADAG - Assistant Deputy Attorney General

Table 1: Comparison of Planned to Actual Spending

	2004-2005	2005-2006	2006-2007			
($ millions)	Actual	Actual	Main Estimates	Planned Spending	Total Authorities	Actual
Developing policies and laws	24.2	29.3	30.7	31.1	42.2	37.5
Delivering and implementing programs	391.1	369.9	296.6	382.2	373.0	363.0
Managing and coordinating the strategic policies/priorities function	9.6	10.8	-	-	-	-
Providing legal advisory, litigation and legislative services to government	415.1	436.3	507.7	508.6	515.7	461.0
Providing prosecution services	103.0	113.3	80.7	83.8	97.7	112.7
Total	943.0	959.6	915.7	1,005.7	1,028.6	974.2
Total [1]	943.0	959.6	915.7	1,005.7	1,028.6	974.2
Less: Non-Respendable revenue [2]	(195.8)	(175.5)	N/A	(237.5)	N/A	(176.6)
Plus: Cost of Servive Received without Charge	71.6	72.8	N/A	75.3	N/A	75.7
TOTAL Departmental Spending	**818.8**	**856.9**	**N/A**	**843.5**	**N/A**	**873.3**
Full Time Equivalents	**4,989**	**4,710**	**N/A**	**4,783**	**N/A**	**4,812**

Note 1: Actual spending differs from amount reported in Financial Statements as Net cost of operations (879.8 million). Reconciliation of these two amounts is provided in Note 4 of Financial Statements (Table 15).
Note 2: Non-Respendable Revenue includes Cost Recovery.

Table 2: Resources by Program Activity

($ millions)	Budgetary							Plus: Non Budgetary	Total
Program Activity	Operating	Capital	Grants	Contributions and Other Transfer Payments	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures	Loans, Investment and Advances	
A.1 Developing policies and laws									
Main Estimates	30.7	-	-	-	30.7	-	30.7	-	30.7
Planned	**31.1**	-	-	-	**31.1**	-	**31.1**	-	**31.1**
Total Authorities	*42.2*	-	-	-	*42.2*	-	*42.2*	-	*42.2*
Actual Spending	37.5	-	-	-	37.5	-	37.5	-	37.5
A.2 Developing and implementing programs									
Main Estimates	9.7	-	2.3	284.6	296.6	-	296.6	-	296.6
Planned	**9.7**	-	**2.3**	**370.2**	**382.2**	-	**382.2**	-	**382.2**
Total Authorities	*9.0*	-	*2.7*	*361.3*	*373.0*	-	*373.0*	-	*373.0*
Actual Spending	8.0	-	1.9	353.1	363.0	-	363.0	-	363.0
B.1 Providing legal advisory, litigation and legislative services to government									
Main Estimates	507.7	-	-	-	507.7	-	507.7	-	507.7
Planned	**508.6**	-	-	-	**508.6**	-	**508.6**	-	**508.6**
Total Authorities	*515.7*	-	-	-	*515.7*	-	*515.7*	-	*515.7*
Actual Spending	461.0	-	-	-	461.0	-	461.0	-	461.0
B.2 Providing prosecution services									
Main Estimates	80.7	-	-	-	80.7	-	80.7	-	80.7
Planned	**83.8**	-	-	-	**83.8**	-	**83.8**	-	**83.8**
Total Authorities	*97.7*	-	-	-	*97.7*	-	*97.7*	-	*97.7*
Actual Spending	112.7	-	-	-	112.7	-	112.7	-	112.7
TOTAL									
Main Estimates	628.8	-	2.3	284.6	915.7	-	915.7	-	915.7
Planned	**633.2**	-	**2.3**	**370.2**	**1,005.7**	-	**1,005.7**	-	**1,005.7**
Total Authorities	*664.6*	-	*2.7*	*361.3*	*1,028.6*	-	*1,028.6*	-	*1,028.6*
Actual Spending	619.2	-	1.9	353.1	974.2	-	974.2	-	974.2

Table 3: Voted and Statutory Items

($ millions)		2006-2007			
Vote or Statutory Item	Truncated Vote or Statutory Working	Main Estimates	Planned Spending	Total Authorities	Actuals
Vote 1	Operating Expenditures	549.0	553.3	591.8	546.4
Vote 5	Grants and Contributions	286.9	372.5	364.0	355.0
(S)	Minister of Justice - Salary and motor car allowance	0.1	0.1	0.1	0.1
(S)	Contribution to employee benefit plans	79.8	79.8	72.7	72.7
	Total	**915.8**	**1,005.7**	**1,028.6**	**974.2**

Table 4: Services Received Without Charge

($ millions)	2006-2007 Actual Spending
Accommodation provided by Public Works and Government Services Canada (PWGSC)	42.9
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	32.7
Worker's compensation coverage provided by Social Development Canada	0.1
Total 2006-2007 Services received without charge	**75.7**

Table 5: Sources of Respendable and Non-Respendable Revenue

Non-Respendable Revenue ($ millions)	Actual 2004-2005	Actual 2005-2006	Main Estimates	2006-2007 Planned Revenue	Total Authorities	Actual
A.1 Developing policies and laws						
Family Order and Agreements Enforcement Assistance Program	6.4	6.6		7.9	7.9	6.2
Central Registry of Divorce Proceedings	0.7	0.8		0.9	0.9	0.7
A.2 Developing and implementing programs						
Miscellaneous Revenues [1]	21.7	7.5	-	-	-	3.8
B.1 Providing legal advisory and litigation services to government						
Legal Services - Crown Corp.	1.6	1.3		0.4	0.4	1.0
Client-Departments Cost Recoveries [2]	144.0	153.6	-	219.8	219.8	154.5
Miscellaneous Revenues [1]	20.4	2.5		1.2	1.2	3.2
B.2 Providing prosecution services						
Legal Services - Crown Corp.						0.2
Client-Departments Cost Recoveries [2]				6.0	6.0	5.2
Fines and forfeitures	1.0	2.9		1.2	1.2	1.0
Miscellaneous Revenues	0.2	0.3		0.1	0.1	0.8
Total Non-Respendable Revenues [3]	**195.8**	**175.5**	**-**	**237.5**	**237.5**	**176.6**

Note 1: Miscellaneous revenues have been applied to proper program activities in 2005 and 2006.
Note 2: Cost recoveries were reported in 2005 and 2006 under one program activity, and are now reported under proper program activities in 2007.
Note 3: Non-Respendable Revenues include refunds and reversal of previous years expenditures. Under accrual accounting (see Departmental Financial Statements - Table 15), these refunds and reversals are excluded from revenues and reported with expenses.

Table 6: Resource Requirements by Branch/Sector

Department of Justice ($ millions)	A.1 Developing policies and laws	A.2 Developing and implementing programs	2006- 2007 B.1 Providing legal advisory litigation and legislative services to government	B.2 Providing prosection services	Total
Policy and Law Section					
Main Estimates	24.8	296.6	2.2		323.6
Planned Spending	25.0	382.2	3.1		410.3
Total Authorities	*36.1*	*373.0*	*3.1*		*412.2*
Actual Spending	31.4	363.0	3.1		397.5
Federal Prosecution Service					
Main Estimates			5.1	80.7	85.5
Planned Spending			5.1	83.8	88.9
Total Authorities			*5.1*	*97.7*	*102.8*
Actual Spending			5.1	112.7	117.8
Legislative Services					
Main Estimates			35.3		35.3
Planned Spending			35.3		35.3
Total Authorities			*35.3*		*35.3*
Actual Spending			32.2		32.2
Civil Litigation and Public Law					
Main Estimates	3.1		12.6		15.7
Planned Spending	3.1		12.6		15.7
Total Authorities	*3.1*		*34.3*		*37.4*
Actual Spending	3.1		33.6		36.7
Tax Law Portfolio					
Main Estimates			73.4		73.4
Planned Spending			73.4		73.4
Total Authorities			*78.4*		*78.4*
Actual Spending			68.8		68.8

Table 6: Resource Requirements by Branch/Sector (cont'd from P63)

($ millions)

	2006- 2007				
Department of Justice	**A.1 Developing policies and laws**	**A.2 Developing and implementing programs**	**B.1 Providing legal advisory litigation and legislative services to government**	**B.2 Providing prosection services**	**Total**
Citizenship and Immigration Portfolio					
Main Estimates			67.3		67.3
Planned Spending			67.3		67.3
Total Authorities			67.3		67.3
Actual Spending			65.5		65.5
Aboriginal Affairs Portfolio					
Main Estimates	2.8		127.3		130.1
Planned Spending	3.0		127.2		130.2
Total Authorities	*3.0*		*118.9*		*121.9*
Actual Spending	3.0		102.0		105.0
Business and Regulatory Law Portfolio					
Main Estimates			166.8		166.8
Planned Spending			166.9		166.9
Total Authorities			*155.6*		*155.6*
Actual Spending			136.9		136.9
Central Agencies Portfolio					
Main Estimates			17.7		17.7
Planned Spending			17.7		17.7
Total Authorities			*17.7*		*17.7*
Actual Spending			13.8		13.8
Total Department					
Main Estimates	**30.7**	**296.6**	**507.7**	**80.7**	**915.7**
Planned Spending	**31.3**	**382.2**	**508.6**	**83.8**	**1,005.7**
Total Authorities	***42.2***	***373.0***	***515.7***	***97.7***	***1,028.6***
Actual Spending	**37.5**	**363.0**	**461.0**	**112.7**	**974.2**

Table 7–A: User Fees Act

				2006-2007					Planning Years		
A. User Fee	Fee Type	Fee-setting Authority	Date Last Modified	Forecast Revenue ($000)	Actual Revenue ($000)	Full Cost ($000)	Performance Standard	Performance Results	Forecast Fiscal Year	Revenue ($000)	Estimated Full Cost ($000)
The family Order and Agreements Enforcement Assistance (FOAEA) The Central Divorce Proceedings	Regulatory	FOAEA Act	1999	6,000	6,559	6, 559	Yes	Results are available in table 7-B	07/08 08/09 09/10	6,000 6,000 6,000	6,000 6,000 6,000
CRDP Fee Order	Regulatory	Central Registry of Divorce Regulations	1986	750	818	818	Yes	Results are available in table 7-B	07/08 08/09 09/10	800 800 800	800 800 800
Fees charged for the processing of access requests filed under the Access to Information Act (ATIA) (please see note 1)	Other product and services	Access to Information Act	1992	2.7	3.3	1,566	Yes	Results are available in table 7-B	07/08 08/09 09/10	4.0 4.5 5.0	2,000 2,300 2,550

Other Information:

Note 1: Full cost reflects the cost of the Access to Information and Privacy (ATIP) Office in Justice. The role of the ATIP Office is to respond to all formal requests that are made to the Department of Justice, in accordance with the Access to Information Act. As other central agencies, the DOJ ATIP Office has an expanded role; in addition to processing requests, the Office responds to consultations from other government institutions regarding solicitor-client information for the Government as a whole.

Although the User Fees Act may provide some of the performance indicators, fee waiver must be considered in light of the ATIP legislation. Performance should also be assessed because of the increasing number of requests received, as well as the requests closed during the respective years.

Table 7-B: Policy on Service Standards for External Fees

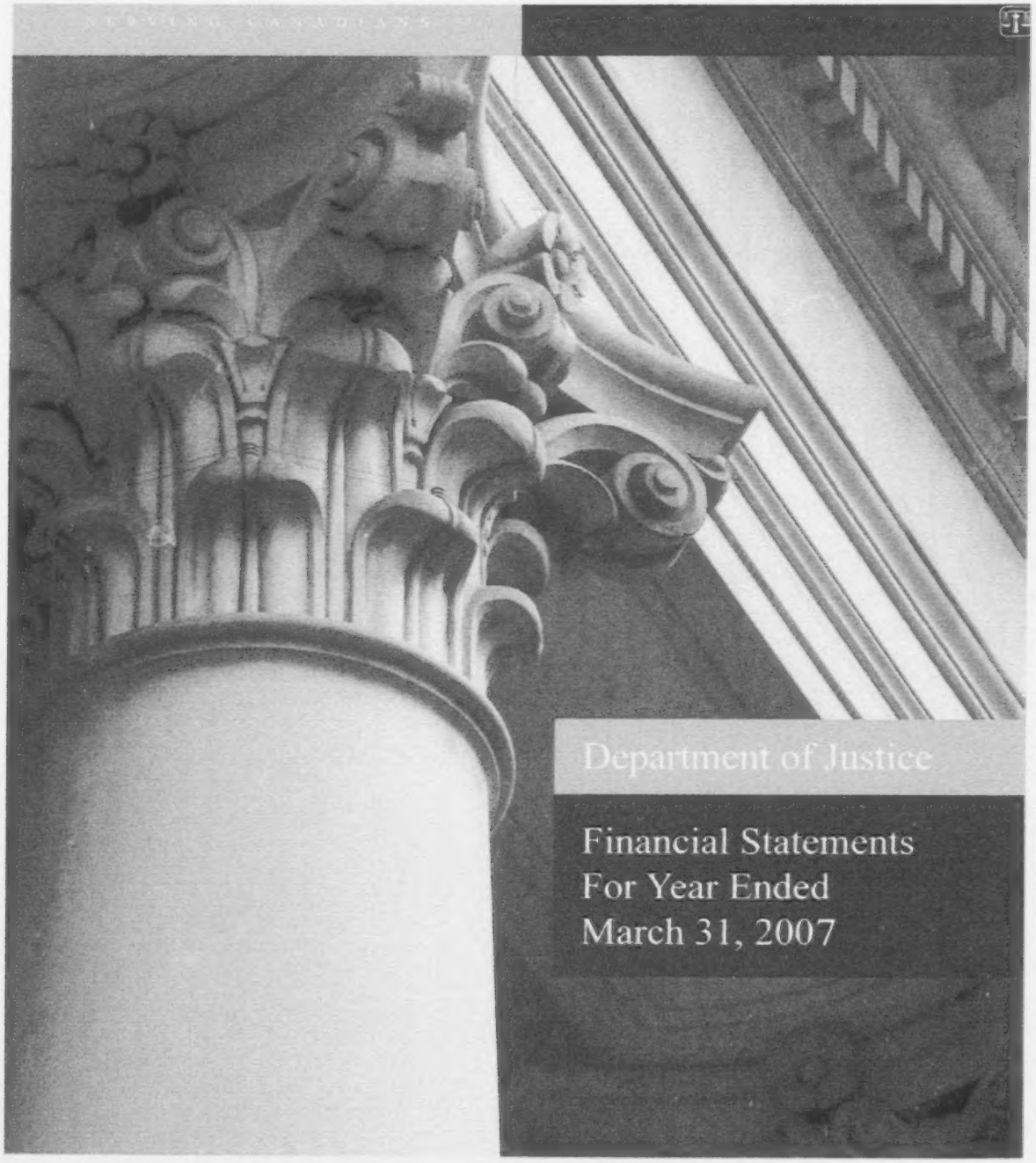
Table 7-B: Policy on Service Standards for External Fees
Supplementary information on service standards for external fees can be found at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Table 8: Details on Transfer Payment Programs (TPPs)

Supplementary information on transfer payment programs can be found at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Table 9: Financial Statements

Since 2005-2006, all federal government departments as defined in section 2 of the *Financial Administration Act* and departments with revolving funds are to include financial statements in their DPR.



Department of Justice Canada | Ministère de la Justice Canada

Canada

DEPARTMENT OF JUSTICE

Management Responsibility for Financial Statements

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2007 and all information contained in these statements rests with departmental management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the department's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the department have not been audited.

John H. Sims
Deputy Minister

Ottawa, Canada

3 August 2007
Date

Virginia McRae
A/Assistant Deputy Minister, Corporate Services
Senior Financial Officer

DEPARTMENT OF JUSTICE

Statement of Financial Position (unaudited)

As at March 31
(in dollars)

	2007	2006 Restated (Note 17)
Assets		
Financial assets		
Receivables (Note 7)	27,811,772	21,791,359
Advances (Note 8)	51,985	34,125
Total financial assets	27,863,757	21,825,484
Non-financial assets		
Prepaid expenses	135,834	158,492
Tangible capital assets (Note 9)	36,683,852	34,813,456
Total non-financial assets	36,819,686	34,971,948
Total	64,683,443	56,797,432
Liabilities and Equity of Canada		
Liabilities		
Accounts payable and accrued liabilities (Note 10)	59,352,085	62,969,296
Transfer payments payable	612,001,885	437,609,360
Vacation pay and compensatory leave	17,268,384	16,657,597
Employee severance benefits (Note 11)	83,850,340	78,277,118
Family Law account (Note 13)	3,930,643	1,562,044
Total liabilities	776,403,337	597,075,415
Equity of Canada	(711,719,894)	(540,277,983)
Total	64,683,443	56,797,432

Contingent liabilities (Note 12)

Contractual obligations (Note 14)

The accompanying notes form an integral part of these financial statements.

DEPARTMENT OF JUSTICE

Statement of Operations (unaudited)

For the year ended March 31
(in dollars)

	2007	2006 Restated (Note 17)
Expenses (Note 5)		
Providing legal advisory, litigation and legislative services to government	**526,014,088**	494,111,816
Developing and implementing programs	**360,646,912**	369,896,574
Providing prosecution services	**121,275,989**	129,271,195
Developing policies and laws	**41,867,608**	44,249,771
Total expenses	**1,049,804,597**	1,037,529,356
Revenues (Note 6)		
Providing legal advisory, litigation and legislative services to government	**155,830,964**	151,409,648
Providing prosecution services	**7,105,336**	7,157,656
Developing policies and laws	**7,087,850**	7,572,930
Total revenues	**170,024,150**	166,140,234
Net cost of operations	**879,780,447**	871,389,122

The accompanying notes form an integral part of these financial statements.

DEPARTMENT OF JUSTICE

Statement of Equity of Canada (unaudited)

For the year ended March 31
(in dollars)

	2007
Equity of Canada, beginning of year	(540,277,983)
Net cost of operations	(879,780,447)
Current year appropriations used (Note 4)	974,223,007
Revenue not available for spending	(170,077,588)
Change in net position in the Consolidated Revenue Fund (Note 4)	(171,464,895)
Services provided without charge by other government departments (Note 16)	75,658,012
Equity of Canada, end of year	(711,719,894)

The accompanying notes form an integral part of these financial statements.

DEPARTMENT OF JUSTICE

Statement of Cash Flow (unaudited)

For the year ended March 31
(in dollars)

	2007	2006 Restated (Note 17)
Operating activities		
Net cost of operations	879,780,447	871,389,122
Non-cash items		
Amortization of tangible capital assets (Note 9)	(11,115,407)	(9,149,985)
Gain on disposal of capital assets	9,218	0
Services provided without charge by other government departments (Note 16)	(75,658,012)	(73,823,178)
Variations in Statement of Financial Position		
Increase (decrease) in accounts receivable and advances	6,038,273	(14,813,293)
Increase (decrease) in prepaid expenses	(22,658)	54,378
Increase in liabilities	(179,327,922)	(113,277,608)
Cash used by operating activities	619,703,939	660,359,346
Capital investment activities		
Acquisitions of tangible capital assets (Note 9)	13,000,181	12,950,526
Proceeds from disposal of tangible capital assets	(23,596)	0
Cash used by capital investment activities	12,976,585	12,950,526
Financing activities		
Net cash provided by Government of Canada	(632,680,524)	(673,309,872)

The accompanying notes form an integral part of these financial statements.

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

1. Authority and objectives

The Department of Justice was created by an Act of Parliament in 1868 to be responsible for the legal affairs of the Government of Canada and to provide legal services to individual departments and agencies. The department's work reflects the duties of its Minister's dual role as Attorney General of Canada and as Minister of Justice.

The department conducts its 2 priorities along 4 program activities:

(a) A fair, relevant and accessible justice system that reflects Canadian values

Developing policies and laws
The planning and development of government justice policies dealing with the matters within the mandate of the Minister of Justice.

Developing policies and laws
The planning and development of government justice policies dealing with matters within the mandate of the Minister of Justice.

Developing and implementing programs
The design, development and implementation of cost-shared programs and grants and contributions.

(b) A federal government that is supported by effective and responsive legal services

Providing legal advisory, litigation and legislative services to government
The provision of legal advisory services to departments and agencies and the supervision, coordination and/or conduct of civil litigation on their behalf.

Providing prosecution services
The conduct of criminal prosecution, including money laundering and drug prosecutions, and regulatory prosecutions such as those related to income tax, the competition law provisions on telemarketing, customs and immigration. Responding to international requests and trans-national crime and working to combat organized crime and terrorism.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

The significant accounting policies are as follows:

(a) Parliamentary appropriations
The department is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the department do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and the Statement of Financial Position are not necessarily the same as those provided through appropriations from Parliament. Note 4 provides a high-level reconciliation between the bases of reporting.

(b) Net cash provided by Government
The department operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the department is deposited to the CRF and all cash disbursements made by the department are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

2. Summary of significant accounting policies (continued)

(c) Change in net position in the Consolidated Revenue Fund

The change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-respendable revenue recorded by the department. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Revenues

- Revenues derived from the provision of legal services are recognized in the year of billing. Billings are for salaries or hours of service rendered and disbursements incurred during the year.
- Service and administration fees revenues under the Family Law programs are recognized based upon the services provided in the year, such as upon validation of the garnishment application or upon issuance of the divorce clearance certificate.
- Fines, forfeitures and court costs are recognized upon receipt of payment by the department.

(e) Expenses

- Grants are recognized in the year in which the conditions for payment are met. In the case of grants which do not form part of an existing program, the expense is recognized when the Government announces a decision to make a non-recurring transfer, provided the enabling legislation or authorization for payment receives parliamentary approval prior to the completion of the financial statements.
- Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement.
- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- Expenses related to the provision of legal services are limited to those costs borne and settled directly by the department. These legal services may or may not be recovered as revenue from the client department. The cost of legal services which are paid directly by client departments to outside suppliers such as Crown agents, are not included in the expenses of the department.
- Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans, and workers' compensation coverage are recorded as operating expenses at their estimated cost.

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

2. Summary of significant accounting policies (continued)

(f) Employee future benefits

i. Pension benefits

Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The department's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. Current legislation does not require the department to make contributions for any actuarial deficiencies of the Plan.

ii. Severance benefits

Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(g) Receivables

Receivables are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(h) Contingent liabilities

Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

(i) Tangible capital assets

All tangible capital assets are recorded at their acquisition cost and amortized over their estimated useful life on a straight-line basis as follows:

Asset class	Acquisition cost equal or greater than	Amortization period
Office and other equipment	$10,000	5 to 8 years
Telecommunications equipment	$10,000	4 to 5 years
Informatics hardware	$1,000	3 to 5 years
Informatics software	$10,000	3 to 5 years
Furniture and furnishings	$1,000	10 years
Motor vehicles	$10,000	5 years
Leasehold improvements	$10,000	Lesser of useful life or term of the lease
Work in progress	In accordance with asset class	Once in service, in accordance with asset class

(j) Measurement uncertainty

The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

3. Changes in accounting policy

In 2006-07, the department made changes to its accounting policy for tangible capital assets to better reflect the significant investment by the department in these assets. The first change is the reduction of the threshold value for capitalization of certain tangible assets, namely informatics hardware and furniture and furnishings, from $10,000 to $1,000. The second change is the revision in approach from capitalizing assets on a component basis to a whole asset or project basis. The final change is the capitalization of salary and related employee benefit costs for informatics software that is developed in house.

These changes have been accounted for retroactively with the following impact on the comparative results for 2005-06:

(in dollars)	2006 As previously stated	Effect of the changes	2006 Restated
Statement of Equity of Canada			
Equity of Canada, beginning of the year	(436,894,775)	20,872,864	(416,021,911)
Net cost of operations	(874,396,294)	3,007,172	(871,389,122)
Note 9 Tangible capital assets			
Net book value			
Office and other equipment	456,876	20,568	477,444
Telecommunications equipment	313,697	344,848	658,545
Informatics hardware	656,471	7,563,537	8,220,008
Informatics software	1,619,504	5,567,563	7,187,067
Furniture and furnishings	249,087	8,843,193	9,092,280
Motor vehicles	86,197	0	86,197
Leasehold improvements	6,094,150	730,193	6,824,343
Work in progress - software development	1,457,438	391,363	1,848,801
Work in progress - leasehold improvements	0	418,771	418,771
	10,933,420	23,880,036	34,813,456

Amortization expense for the year ended March 31, 2006 is $9,149,985 (previously stated as $3,002,463).

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

4. Parliamentary appropriations

The department receives most of its funding through annual Parliamentary appropriations. Items recognized in the Statement of Operations and the Statement of Financial Position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the department has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used

(in dollars)	2007	2006
		Restated (Note 17)
Net cost of operations	879,780,447	871,389,122
Adjustments for items affecting net cost of operations but not affecting appropriations		
Add (Less)		
Services provided without charge by other government departments (Note 16)	(75,658,012)	(73,823,178)
Receivable from Treasury Board Secretariat for employee benefits	3,477,341	0
Amortization of tangible capital assets	(11,115,407)	(9,149,985)
Revenue not available for spending	170,077,588	166,140,234
Employee severance benefits	(5,573,222)	(12,800,763)
Vacation pay and compensatory leave	(610,787)	108,262
Refunds and reversals of previous year expenses	6,528,630	9,379,263
Bad debt	(4,061,094)	(4,418,496)
Other	(1,600,000)	(200,000)
	81,465,037	75,235,337
Adjustments for items not affecting net cost of operations but affecting appropriations		
Add (Less)		
Acquisitions of tangible capital assets	13,000,181	12,950,526
Change in prepaid expenses	(22,658)	34,378
	12,977,523	12,984,904
Current year appropriations used	974,223,007	959,609,363

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

4. Parliamentary appropriations (continued)

(b) Appropriations provided and used

(in dollars)	2007	2006 Restated (Note 17)
Vote 1 - Operating expenditures	591,751,446	542,775,051
Vote 5 - Grants and contributions	364,007,415	365,742,415
Statutory amounts	72,803,845	71,475,474
Less		
Appropriations available for future years	(837)	(7,379)
Voted authorities lapsed	(54,338,862)	(20,376,198)
Current year appropriations used	974,223,007	959,609,363

(c) Reconciliation of net cash provided by Government to current year appropriations used

(in dollars)	2007	2006 Restated (Note 17)
Net cash provided by Government	632,680,524	673,309,872
Revenue not available for spending	170,077,588	166,140,234
Change in net position in the Consolidated Revenue Fund		
Variation in accounts receivable and advances	(6,038,273)	14,432,481
Variation in accounts payable and accrued liabilities	170,775,314	100,402,555
Adjustments and refunds of previous year accounts payable	6,528,631	9,379,264
Other adjustments	199,223	(4,055,043)
	171,464,895	120,159,257
Current year appropriations used	974,223,007	959,609,363

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

5. Expenses

(in dollars)	2007	2006
		Restated (Note 17)
Operating		
Salaries and employee benefits	**528,753,983**	527,238,693
Professional and special services	**65,121,464**	60,717,166
Accommodation	**43,911,327**	42,201,714
Travel and relocation	**15,995,105**	15,962,623
Amortization of tangible capital assets	**11,115,407**	9,149,985
Utilities, materials and supplies	**8,779,083**	8,237,268
Communications	**7,047,811**	6,638,081
Information	**5,123,369**	7,278,749
Bad debt expense	**4,061,094**	4,418,496
Claims and ex-gratia payments	**3,982,429**	359,825
Repairs and maintenance	**2,435,803**	2,422,101
Rentals	**1,202,760**	1,506,527
Other	**1,077,398**	854,827
Total operating expenses	**698,607,033**	686,986,055
Transfer payments		
Provinces and territories	**329,003,366**	330,961,639
Non-profit institutions and organizations	**15,965,498**	13,343,147
Persons	**6,053,428**	5,922,283
International organizations and foreign countries	**175,272**	116,232
Total transfer payments	**351,197,564**	350,543,301
Total expenses	**1,049,804,597**	1,037,529,356

6. Revenues

(in dollars)	2007	2006
Services		
Legal services	**161,660,834**	155,492,858
Family Law fees	**6,807,063**	7,378,009
	168,467,897	162,870,867
Other revenues		
Fines and forfeitures	**967,907**	2,870,421
Rent from residential housing provided to employees	**294,910**	307,776
Court costs awarded	**0**	79,252
Other	**293,436**	11,918
	1,556,253	3,269,367

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

7. Receivables

(in dollars)	2007	2006
Federal government departments and agencies		
Accounts receivable	23,960,098	17,721,850
External parties		
Family Law	11,261,350	11,417,324
Less: allowance for doubtful accounts	(8,897,916)	(8,540,147)
	2,363,434	2,877,177
Other receivables	1,730,348	1,192,332
Less: allowance for doubtful accounts	(242,108)	(935)
	1,488,240	1,192,332
Total receivables	27,811,772	21,791,359

8. Advances

(in dollars)	2007	2006
Temporary advances to employees for travel	23,605	0
Standing advances held by employees for travel and petty cash	28,380	34,125
Total advances	51,985	34,125

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

9. Tangible capital assets

Tangible capital assets (in dollars)	Opening balance	Acquisitions	Disposals and transfers	Closing balance
	Restated (Note 17)			
Office and other equipment	531,906	41,270	0	**573,176**
Telecommunications equipment	1,363,027	258,492	0	**1,621,519**
Informatics hardware	15,296,226	3,580,781	0	**18,877,007**
Informatics software	13,183,593	1,225,463	1,848,801	**16,260,857**
Furniture and furnishings	12,754,249	1,665,914	0	**14,420,163**
Motor vehicles	207,158	0	(50,723)	**156,435**
Leasehold improvements	11,976,033	191,220	3,433,847	**15,601,100**
Work in progress - software development	1,848,801	840,677	(1,848,801)	**840,677**
Work in progress - leasehold improvements	418,771	5,193,364	(3,433,847)	**2,178,288**
Total tangible capital assets	57,579,764	13,000,181	(50,723)	**70,529,222**

Accumulated amortization (in dollars)	Opening balance	Current year amortization	Disposals and transfers	Closing balance
	Restated (Note 17)			
Office and other equipment	54,462	75,774	0	**130,236**
Telecommunications equipment	704,482	235,751	0	**940,233**
Informatics hardware	7,076,218	3,765,356	0	**10,841,574**
Informatics software	5,996,526	3,530,626	0	**9,527,152**
Furniture and furnishings	3,661,969	1,346,121	0	**5,008,090**
Motor vehicles	120,961	22,016	(36,345)	**106,632**
Leasehold improvements	5,151,690	2,139,763	0	**7,291,453**
Total accumulated amortization	22,766,308	11,115,407	(36,345)	**33,845,370**

Net book value (in dollars)	2007	2006
		Restated (Note 17)
Office and other equipment	**442,940**	477,444
Telecommunications equipment	**681,286**	658,545
Informatics hardware	**8,035,433**	8,220,008
Informatics software	**6,733,705**	7,187,067
Furniture and furnishings	**9,412,073**	9,092,280
Motor vehicles	**49,803**	86,197
Leasehold improvements	**8,309,647**	6,824,343
Work in progress - software development	**840,677**	1,848,801
Work in progress - leasehold improvements	**2,178,288**	418,771
Total net book value	**36,683,852**	**34,813,456**

Amortization expense for the year ended March 31, 2007 is $11,115,407 ($9,149,985 in 2005-06).

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

10. Accounts payable and accrued liabilities

(in dollars)	2007	2006
Federal government departments and agencies		
Accounts payable	3,882,374	3,756,175
External parties		
Accounts payable	43,042,988	48,724,383
Accrued salaries	10,626,723	10,220,411
Other liabilities	1,800,000	268,327
	55,469,711	59,213,121
Total accounts payable and accrued liabilities	59,352,085	62,969,296

11. Employee benefits

(a) Pension benefits

The department's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

Both the employees and the department contribute to the cost of the Plan. The expense presented below represents approximately 2.2 times (2.6 in 2005-06) the contributions by employees.

(in dollars)	2007	2006
Pension expense	53,534,084	52,827,251

The department's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits

The department provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

(in dollars)	2007	2006
Accrued benefit obligation, beginning of year	78,277,118	65,476,355
Expense for the year	8,828,166	16,337,976
Benefits paid during the year	(3,254,944)	(3,537,213)
Accrued benefit obligation, end of year	83,850,340	78,277,118

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

12. Contingent liabilities

Claims and litigation

Claims have been made against the department in the normal course of operations. Legal proceedings for claims totalling approximately $20,318,000 were still pending at March 31, 2007 ($13,528,000 in 2005-06). Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

13. Family Law account

Under the *Family Orders and Agreements Enforcement Assistance Act* , the department assists provinces and territories in the enforcement of family support orders and agreements by providing garnishment assistance through the interception of designated federal moneys payable to individuals owing family financial support. These intercepted moneys are deposited into the Family Law account from which payments to the provinces and territories are then made. The provinces and territories distribute these payments (consisting of garnisheed moneys such as income tax refunds, employment insurance benefits, etc.) to the beneficiaries.

(in dollars)	2007	2006
Family Law account, beginning of year	1,562,044	2,828,742
Receipts	122,126,685	118,249,096
Payments	(119,758,085)	(119,515,794)
Family Law account, end of year	3,930,643	1,562,044

14. Contractual obligations

The nature of the department's activities results in some large multi-year contracts and obligations whereby the department will be obligated to make future payments when the services and/or goods are received.

Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in dollars)	2007-08	2008-09	2009-10	2010-11	2011-12 and thereafter
Transfer payments	175,000,000	174,000,000	175,000,000	175,000,000	0

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

15. Subsequent event - transfer of activity

On December 12, 2006, the Office of the Director of Public Prosecutions was created as part of the *Federal Accountability Act* . This Office takes over the duties of the former Federal Prosecution Services within the Department of Justice and will operate independently of the department effective April 1, 2007.

The condensed operating results and the assets and liabilities for the portion relating to the transferred operations during 2006-07 are as follows:

(in dollars)	2007
Statement of Operations	
Revenues	7,105,336
Expenses	121,275,989
Net cost of operations	114,170,653
Statement of Financial Position	
Assets	5,324,528
Liabilities	27,541,841
Net liabilities for transfer	22,217,313

DEPARTMENT OF JUSTICE

Notes to the Financial Statements (unaudited)

16. Related party transactions

The department is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The department enters into transactions with these entities in the normal course of business and on normal trade terms.

Also, during the year, the department received without charge from other departments, accomodation, the employer's contribution to the health and dental insurance plans, and workers' compensation coverage. These services without charge have been recognized in the department's Statement of Operations as follows:

(in dollars)	2007	2006
Accommodation provided by Public Works and Government Services Canada	42,888,888	40,740,837
Employer's contributions to the health and dental insurance plans paid by Treasury Board Secretariat	32,691,882	32,883,117
Workers' compensation coverage provided by Human Resources and Social Development Canada	77,242	199,224
Total	75,658,012	73,823,178

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The cost of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the department's Statement of Operations.

In addition, the Department of Justice has provided legal services without charge to other government departments throughout the fiscal year for a total amount of $188,672,338.

17. Comparative information

Comparative figures have been reclassified to conform to the current year's presentation for the revised Program Activity structure and have been restated to reflect the changes in accounting policy described in Note 3.

Table 10: Response to Parliamentary Committees, and Audits and Evaluations

Response to Parliamentary Committees

Standing Committee on Justice and Human Rights
- Report 6 (39th Parliament, 1st Session)
http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10474&Lang=1&SourceId=190754

Summary:
This report, entitled *The Challenge of change: A Study of Canada's Criminal Prostitution Laws* (Adopted by the Committee on December 12th, 2006; Presented to the House on December 13th, 2006), describes the Committee's findings regarding solicitation laws, safety of sex-trade workers and communities, and changes that will reduce the exploitation of and violence against sex-trade workers. The Committee puts forth one recommendation which is directed at the Department of Justice.

Recommendation:
This Committee reaffirms the need to maintain the independence of the Office of the Information Commissioner, and recommends that the Justice Minister consider the advisability of introducing before the end of the Session legislation in the House of Commons based on the provisions of the "Open Government Act" presented by Information Commissioner John Reid, with the assistance of the Legislative Counsel of the House of Commons.

Response:
The Minister responded to this recommendation. This response was presented to the House on March 30th 2007 and is available via the links below.

Hotlink for English:
http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10474&Lang=1&SourceId=199347
Hotlink for French:
http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10474&SourceId=199347&SwitchLanguage=1

Standing Committee on Access to Information, Privacy and Ethics
- Report 2 (39th Parliament, 1st Session)
http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10473&Lang=1&SourceId=183188

Summary:
This report, entitled *Study on issues related to the alleged disclosure of the names of Access to Information applicants* (Adopted by the Committee on November 8th, 2006; Presented to the House on November 22nd, 2006), describes the Committee's findings regarding the *Alleged Disclosure of the Names of Access to Information Requesters.* The Committee puts forth one recommendation which is directed at the Department of Justice.

Recommendations:
This study brought to light certain practices related to the implementation of the Access to Information Act that are of concern both to our witnesses and to the Members of this Committee. In order to ensure that the broader issues of requester categorization and tracking are addressed, we recommend that the Minister of Justice, when drafting amendments to the Access to Information Act, take into consideration the concerns that we heard about the practice of categorizing and tracking the identities of access to information requesters within government departments, and include in a draft bill measures under the ATIA to protect the identity of all access requesters.

Hotlink for English:
http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10473&Lang=1&SourceId=197762

Hotlink for French:
http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10473&SourceId=197762&SwitchLanguage=1

Response to the Auditor General including to the Commissioner of the Environment and Sustainable Development (CESD)
None during the reporting period; no recommendations were received.

External Audits
None during the reporting period; no recommendations were received.

Internal Audits
http://www.justice.gc.ca/en/dept/pub/audit_reports/2006/index.html

1. Contracting for Services (March 2007)

The audit assessed the adequacy of the control framework for the contracting function, including processes and practices related to the overall management of this function. The audit examined the extent of compliance with *Government Contracts Regulations*, Treasury Board Secretariat policy, and PWGSC rules pertaining to contracting; the effectiveness of the Department's Contracting Policy and its review/challenge mechanisms, including the Regional Contracts Review Committees; the appropriateness of Department-wide performance monitoring reports and the extent to which these are used for management decision making; the reliability of information systems for decision making; the appropriateness of interfaces (including advice and assistance) with departmental staff; and the level of functional direction provided to regional office personnel.

2. Integrated Financial and Material System (IFMS) (February 2007)

The audit reviewed and assessed the adequacy of the framework in place for the system's operations, maintenance and enhancements; the extent to which the system meets user requirements; the reliability and usefulness of the information produced by the system; the suitability of technical support for users; the appropriateness of the budgetary allocations for the operations, maintenance and enhancements to the system; the extent to which resources assigned to the system are appropriately managed; and the adequacy of the security measures for safeguarding information.

3. Management of Electronic Information (November 2006)

The audit reviewed and assessed the adequacy of the framework in place for the management of electronic information; the extent to which the management of electronic information complies with the *Policy on the Management of Government Information (MGI)* and the *Library and Archives of Canada Act*; the extent of compliance with the *Access to Information Act, Privacy Act,* and the *Government Security Policy* issued by Treasury Board Secretariat (TBS); and the adequacy of linkages with Library and Archives Canada, Treasury Board Secretariat, departmental regional offices, and DLSUs. The audit covered the management of electronic information at headquarters; the regional offices of Edmonton, Toronto, and Montreal; and the following DLSUs: Fisheries and Oceans, Health Canada, Natural Resources, Agriculture and Agri-Food, Citizenship and Immigration, and Treasury Board Secretariat.

4. British Columbia Regional Office (August 2006)

The audit reviewed and assessed the adequacy of the management framework in place; the reliability of information systems available for decision making and for accountability purposes; the extent of compliance of procedures and practices with applicable legislation, regulations and key central agency/department policies, including the FAA; the level of service provided by regional office staff; the appropriateness of interfaces with other sections of the regional office and the DOJ Headquarters and the extent and nature of functional direction received from Headquarters for each of the major functions performed by the Business Management Group.

5. Northern Region (June 2006)

The audit addressed the extent to which the overall level of resources was appropriate to meet the Northern Region's needs; the level of integration and linkages between the regional offices in the Northern Region with respect to the delivery of legal and corporate services; the ability of the regional offices in the Northern Region to respond to increases in activity in the Territories (i.e. meet the needs of the clients or the public with respect to criminal and civil matters); the mix of resources (including use of paralegals); the adequacy of workflow processes; and the impact of unique pressures faced by these Offices due to distinct mandate, location, and distance from one another. The audit also reviewed and assessed the appropriateness of the linkages between the regional offices in the Northern Region and Headquarters (legal and corporate services areas); the extent to which the management team structure is efficient and effective; and the adequacy and effectiveness of the provision of corporate services to the Northern Offices.

6. Travel and Hospitality (April 2006)

The audit reviewed and assessed the adequacy of the management framework in place pertaining to travel and hospitality, including processes and practices related to planning, organizing, controlling, directing, communicating, and the management of human, financial, and materiel resources; the extent to which the Department's policies and directives relating to travel (including those relating to the Blanket Travel Authority) and hospitality comply with TB requirements and are communicated to regional departmental personnel; the extent to which departmental guidelines and procedures relating to travel (including, for example, the request for travel authority and advance, approval of travel, use of travel cards, the verification of expenses, and the issuance of payment) comply with all aspects of the TB Travel Directive and are being adhered to; and the appropriateness and adequacy of the travel and hospitality procedures followed by regional accounting operations.

7. Competition Law Division (April 2006)

The audit reviewed and assessed the framework within which services are delivered by the DLSU to its clients. The audit examined practices and processes related to planning, organization, performance monitoring, communications, the management of financial, human and material resources, information systems, compliance with legislation and policies, interfacing with other sections of the Department, and relationships with clients.

8. Regional Corporate Services (April 2006)

The audit reviewed and assessed the extent, appropriateness, and consistency of functional direction provided by Headquarters to regional offices; the appropriateness of the interfaces between Headquarters functional centres and their counterparts in regional offices, and the clarity of roles and responsibilities of regional and Headquarters staff. The audit also undertook a comparative analysis of the adequacy of regional office resource levels for each of the major corporate services functions.

9. PWGSC Legal Services Unit (March 2006)

The audit reviewed the management framework within which services are delivered by the DLSU to its clients. As part of this, the audit examined the various practices, processes and procedures in support of activities related to planning, information management, performance monitoring, communications, and the administration of financial, human and material resources as well as the extent of compliance to applicable legislation and policies. The level of client satisfaction and the extent and nature of interfaces with other sections of the Department were also assessed.

Evaluations
http://www.justice.gc.ca/en/ps/eval/index.html

The Federal Legal Aid Renewal Strategy, Formative Evaluation (December 2006)
This evaluation aimed to assess the appropriateness of program design and implementation to support the achievement of the Strategy's objectives; to examine the extent to which the recommendations made in the 2001 evaluation of the Legal Aid Program have been implemented; to examine whether these improvements have contributed to increased program effectiveness; and to provide program management with useful information for the future of the Strategy.

Recommendations:

- It is recommended that the Department of Justice (DOJ) seek authority for longer-term funding agreements with respect to legal aid.
- It is recommended that the DOJ consider approaches to enhancing legal aid funding that would require that provincial/territorial governments participate in the development of a mutually agreeable approach to report on legal aid outcomes.
- It is recommended that the DOJ work with the provinces and territories to clarify the roles and responsibilities of the Permanent Working Group (PWG).
- It is recommended that the DOJ continue to work with the provinces to develop fair and equitable funding formulae.
- It is recommended that the FPT PWG on Legal Aid, in collaboration with Citizenship and Immigration Canada (CIC), discuss whether the criminal legal aid agreement continues to be the agreed upon mechanism for providing I&R legal aid funds.
- It is recommended that DOJ, in collaboration with CIC, continue to monitor impact of I&R services on funding levels.

Hotlink for English: http://www.justice.gc.ca/en/ps/eval/reports/06/legaid/sum/table.html
Hotlink for French: http://www.justice.gc.ca/fr/ps/eval/reports/06/legaid/sum/table.html

Justice Partnership and Innovation Program, Summative Evaluation (September 2006)

This evaluation aimed to provide an assessment of the Program's success to date in achieving its outcomes and address issues of relevance, cost-effectiveness and alternatives; assess whether the Program has met its objectives; provide information that can be used by Program staff to improve the results of the Program; and to examine the extent to which a performance measurement mechanism to ensure that data are systematically collected and disseminated has been put in place.

Recommendations:

- Re-examine the Program objective of contributing to policy development in the Department.
- Continue efforts to strengthen JPIP performance monitoring.

Hotlink for English: http://www.justice.gc.ca/en/ps/eval/reports/06/jpip/table.html
Hotlink for French: http://www.justice.gc.ca/fr/ps/eval/reports/06/jpip/table.html

Formative Evaluation of the Contraventions Act Fund (March 2006)

As part of the Department of Justice's performance measurement strategy, this formative evaluation aims to review implemented activities related the *Contraventions Act Fund.*

Recommendations:

- The Department of Justice explore, in partnership with provinces, options for tracking and reporting complaints.
- The Department of Justice monitor timelines for receiving reports from Ontario.
- The Department of Justice continue to monitor the volume of French trials to determine if there is a need to provide funding to modify provincial databases to meet federal reporting requirements.

Hotlink for English: http://www.justice.gc.ca/en/ps/eval/reports/06/caf/index.html
Hotlink for French: http://www.justice.gc.ca/fr/ps/eval/reports/06/caf/index.html

Summative Evaluation of the Family Law Assistance Section (FLAS) (March 2006)

This evaluation addressed issues related to the rationale and the continued relevance of the three programs related to FLAS: the Family Orders and Agreement Enforcement Assistance (FOAEA) program, the Garnishment, Attachment and Pension Diversion Act (GAPDA) program and the Central Registry of Divorce Proceedings Program (CRDP).

Recommendations:

- The FLAS section continues to function as a consolidated unit within the Department of Justice, providing FOAEA, GAPDA and CRDP services.
- The FLAS section review its organizational location in order to address the lack of sufficient linkage between FLAS and FCY, and the need for a more strategic approach to the planning of FLAS services and collaboration with provinces/territories and partners.
- FLAS take measures to ensure that data is readily available on an annual basis to document the extent to which FLAS enforcement related services are contributing to the successful enforcement of child and family support orders.
- DOJ clarify its role and responsibilities to manage GAPDA or consider centralizing management in order to strengthen coordination among existing GAPDA Registries and to enable regular reporting at a national level.
- The GAPDA service document, nationally and by province/territory, the number and percentage of valid applications that result in a garnishment of debtor wages; and the amount of revenue generated.
- FLAS establish a system capable of tracking duplicate divorce proceedings on an ongoing basis.
- FLAS work with Statistics Canada and Justice Research and Statistics Officials to strengthen the quality of CRDP data, and to ensure that the FLAS Section has the capacity to provide the type and quality of divorce data that its clients require.

Hotlink for English: http://www.justice.gc.ca/en/ps/eval/reports/06/flas/sum/index.html
Hotlink for French: http://www.justice.gc.ca/fr/ps/eval/reports/06/flas/sum/index.html

Table 11: Sustainable Development Strategy

The Department's Sustainable Development Strategies each cover a three year period. This year's DPR reporting period straddles the completion of the third strategy and the beginning of the fourth strategy (2007-2009). The fourth strategy contains a summary of results for the period ending December 2006. Since the current DPR reporting period covers only the first 3 months of the fourth strategy, there are as yet no firm outcomes to report. However, a new reporting and accountability structure is being implemented for this strategy, which will reflect more closely its three main areas of focus (objectives) and the identified activities and targets subsumed under those objectives. The new SDS for 2007-2009 can be viewed online through the following hotlink: http://www.justice.gc.ca/en/dept/pub/sds/07_09/index.html.

SUSTAINABLE DEVELOPMENT STRATEGY 2004-2006

Department of Justice Canada	
Points to Address	**Departmental of Justice Input**
1. What are the key objectives, and long-term targets of the SDS?	**1. Strengthen knowledge and awareness of sustainable development within Department** • Develop and deliver training and information sessions to employees; • Training on Cabinet Directive on the environmental assessment of policy, plan and program proposals; and • Develop tools to communicate information on sustainable development issues to employees. **2. Integrate consideration of sustainable development into the Department's business** • Consider Department's policy and legal services work through sustainable development lens; and • Make sustainable development a departmental priority. **3. Improve the environmental sustainability of the Department's operations** • Promote greater use of electronic information; • Improve conservation and waste management practices; and • Increase green procurement.

Department of Justice Canada	
2. How do your key goals, objectives, and/or long-term targets help achieve your department's strategic outcomes?	**Strategic Outcome 1: A fair, relevant and accessible justice system that reflects Canadian values** Funding of programs and development of policies support a better access to justice system and the cultivation of sustainable communities. **Strategic Outcome 2: A federal government that is supported by effective and responsive legal services** Through special training and the provision of practical tools, legal advisor, legislative counsel and litigator can better support client departments and agencies in incorporating sustainable development.
3. What were your targets for the reporting period?	See SDS 2004-2006 (http://www.justice.gc.ca/en/dept/pub/sds/04_06/index.html)
4. What is your progress to date?	See SDS 2004-2006 (http://www.justice.gc.ca/en/dept/pub/sds/04_06/index.html)
5. What adjustments have you made, if any?	• Greater focus has been given to identify and develop more concrete performance measures to clearly demonstrate improvements and progress on all aspects of sustainable development efforts in the Department; and • The Chief Legislative Counsel has been named as the departmental champion for Sustainable Development.

Table 12: Horizontal Initiatives

Supplementary information on horizontal initiatives can be found at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Table 13: Travel Policies

Supplementary information on travel policies can be found at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Section IV – Other Items of Interest

Corporate Management

Management Accountability Framework (MAF) Assessment

The Department's corporate management activities fall under the umbrella of the Management Accountability Framework (MAF). The MAF establishes the standards for management in the Government of Canada and is the basis for management accountability between departments/agencies and the Treasury Board Secretariat (TBS) and the Canada Public Service Agency (CPSA). As such, on-going statements of progress provide the reader with details regarding the status and next steps for each activity area. In terms of performance, each year, our corporate management activities are classified and rated under the MAF Framework – 10 elements, 20 indicators and over 100 specific measures. Almost all federal government departments and agencies are subject to MAF assessment which is carried out mainly by Treasury Board Secretariat and the Canada Public Service Agency (formerly PSHRMAC). To date, over the past five cycles, the MAF assessment exercise has been an evolutionary one, therefore, we are not, at this time, able to provide data on year over year results. Last year, for the first time, the Treasury Board Secretariat made public the results of MAF III for all departments and agencies on its website.[32] MAF IV noted our progress on a number of items including:

- Knowing and responding to citizen/client needs and expectations – The overall rating reflects a strong performance in setting service standards and performance in providing services in both official languages is also strong.
- Managing Organizational Change – The Department worked successfully on two major change management initiatives over the assessment period: the process underlying the unionization of the Law Group (LAs) and the creation of the Public Prosecution Service of Canada.

The Department was also commended for advancing management priorities identified in the previous year's assessment including:

- Continued progress on the implementation of an integrated business planning and reporting framework – this has resulted in improved performance management capacity;
- Progress towards implementing performance management practices within the department; and
- Completion of the review of legal services and presentation of findings and recommendations on mixed funding, costing and charging models to TBS in March 2007.

Our People

Given the considerable focus on human resources management (HRM) in the core public administration (CPA) overall and in the Department of Justice (DoJ), one of the priorities in 2006-2007 was the development of a departmental HRM Plan that identifies a vision for HRM, as well as the priorities and supporting initiatives that will be undertaken over the next three years (2007-2010). Many of the priorities and initiatives in the HRM Plan build upon the work that was undertaken in 2006-2007 that focused on the unionization of the LA Group, Classification Modernization, compliance with the *Public Service Employment Act (PSEA)*, achieving employment equity benchmarks, and fostering a culture of learning.

[32] www.tbs-sct.gc.ca/maf-crg/Index_e.asp

Unionization of the LA Group:

One of the most significant impacts in the area of HRM for the Department of Justice was the unionization of lawyers in the CPA and the certification of the Association of Justice Counsel (AJC) as the bargaining agent for the Law Group (LA) on April 28th, 2006. Several initiatives were undertaken to help managers operate in a new unionized environment including: information sessions and a major review of all positions against the exclusion criteria in the *Public Service Labour Relations Act (PSLRA)*. These activities are ongoing to ensure departmental managers understand the PSLRA provisions and embrace the change and spirit of collaborative labour-management relationships.

Classification Modernization:

Classification modernization affects how positions will be classified with the goal to enable the federal public service to recruit and retain the skilled employees needed to serve Canadians in the years ahead. During 2006-2007 there were two classification standard reform initiatives underway within DOJ, specifically the Law group (LA) and Economic and Social Science Services (EC), which includes our paralegals and policy analyst positions. The Department of Justice, being the prime users of lawyers and paralegals in the CPA, worked closely with the Canada Public Service Agency (CPSA) in designing the LA classification standard and testing the EC classification standard, as well as preparing the Department for the conversion to these two new standards. The new LA standard, affecting over 50 percent of the workforce, will result in clearer management and practitioner responsibilities and accountabilities that will also support the *Federal Accountability Act (FAA)* which puts in place specific measures to strengthen accountability and increase transparency and oversight in government operations.

Compliance with the Public Service Employment Act:

Management accountabilities were defined and delegated to managers as the Department continued with activities to ensure compliance with the *Public Service Employment Act PSEA*. As well, a review was initiated to determine if departmental staffing policies and practices reflected readiness for *PSEA* implementation.

Employment Equity:

Although DoJ continues to exceed workforce availability for all designated groups (women, Aboriginal peoples, persons with disabilities and visible minorities), employment equity (EE) continues to be a priority for DoJ to ensure it continues to reflect the changing demographics of Canada's population, as well as ensuring a supportive corporate culture. To sustain this effort, a departmental EE Plan 2006-2009 was launched and quantitative and qualitative goals were set in the areas of corporate culture, recruitment/representativeness, retention/promotion/development, and workplace wellness.

A Culture of Learning:

Recognizing that DoJ is a knowledge-based organization, the Department continued to be committed to the continuous learning and professional development of employees in order to effectively fulfill its mandate and business objectives, support public service wide learning priorities aimed at building a well-trained and professional workforce that is properly equipped to carry out its professional and legal responsibilities, as well as contributing to employees' individual learning needs and career development. To this end, the Department undertook several initiatives.

Performance and Reporting

As evidenced throughout this report, the Department has been continuously assessing and improving its capacity to provide relevant and balanced performance information in order to provide senior management, central agencies, the Minister and Parliament with concrete results that illustrate the benefits of our work to Canadians. In line with this priority, we continued to refine our business planning processes to ensure that they respond to unit, Sector, Departmental and central agency requirements and are aligned with the MAF elements as well as the Department's Program Activity Architecture.

Measuring Client Feedback:

During the course of the reporting period, the Department launched a standardized questionnaire for gauging client perceptions of three core elements of service quality – responsiveness, timeliness and usefulness.

Managing the Volume of Litigation

Over the reporting period, one of the focus of the Advisory Committee on Managing the Volume of Litigation was to improve the quality of information needed to manage litigation workload and resources more effectively. During the summer of 2006, a sub-committee comprised of Senior Managers, representatives from Dispute Resolution Services, officials from Strategic Planning and Performance Management, officials from the Legal Services Review Team and from IM/IT developed a set of standard department-wide performance indicators and measures. Where required, data capture system adjustments were made to facilitate the tracking of certain information elements, and directives from the DM and the Senior Management Board stated that entering timekeeping and case management information would become mandatory for legal service providers beginning April 1st, 2007. This requirement is now reflected in the performance agreements of senior managers where applicable.

While the Department continued to address technical issues relating to the capture and analysis of the existing timekeeping and case management data, there is now a much more thorough and clear picture of the breakdown of the levels of effort devoted to files, the number and types of files and a better picture of our risk assessment practices. With the April 1st compliance date, we anticipate that in next year's report, we will have the complete picture and we will begin providing year over year analysis of how the Department is managing its litigation work.

Review of Legal Services and Sustainable Funding

The Review of Legal Services to Government was undertaken in collaboration with the Treasury Board Secretariat in 2004-2005 with the following two objectives:

- Improve the sustainability of the delivery of legal services in government by recommending strategies to improve legal services delivery and ensure a sustainable funding regime; and
- Identify approaches to effectively manage litigation in the federal government.

The Review was completed in 2006-2007 following extensive research, analysis and consultations with government departments and agencies.

To improve the sustainability of the Department's delivery of legal services to government, the Review recommended that departments and agencies continue to contribute to the cost of the legal services provided by the Department of Justice. Treasury Board approved this recommendation and the application of a net voting regime that provides Justice with the authority to spend revenues received from departments and agencies for legal services rendered as well as the legal services rate structure and rates that were implemented on April 1st, 2007.

To further improve the sustainability of the delivery of legal services to government over time and to improve government's capacity to manage its demand for legal services, the Review recommended that Justice increase its capacity to capture more complete business and strategic information on the services it provides to government. This will support informed decision-making on the nature and level of legal services required from Justice.

The Review also provided direction on the effective management of litigation in the federal government and recommended that Justice continue to lead the development of best practices in the management of disputes. These would include early intervention in policy and program design, other institutional measures designed to resolve disputes before they result in protracted litigation, and the management of litigation through measures such as alternate dispute resolution processes. In addition, it was recommended that Justice buttress its research efforts in the monitoring of litigation trends and drivers in government.

With the development of targeted recommendations and a successful presentation of its key findings to Treasury Board and approval of the funding model for the delivery of legal services to government, the Review of Legal Services has successfully completed its mandate.

Access to Information and Privacy

With respect to the Department's compliance in meeting its responsibilities under the *Access to Information Act*, the Information Commissioner recognized our efforts in his 2006-2007 Annual Report to Parliament:
"There is reason to be optimistic that Justice Canada will succeed in improving its grade by next year. The department has put the necessary resources and processes in place, and senior management is closely monitoring progress."

The Commissioner also included the DM's statement in his follow-up status report
"The Department has made a tremendous effort to improve its compliance rate and began fiscal year 2007-2008 with a "B" rating, with 9 percent of requests in deemed refusal. I assure you that senior management is fully aware of its ongoing responsibilities and measures were implemented to further improve the process in March 2007." [33]

[33] http://www.infocom.gc.ca/publications/2006-2007/Justice-e.asp

V. Legislation for which the Department is Responsible:

The Department of Justice exists by virtue of the *Department of Justice Act*, first passed in 1868. The Act establishes the Department's role and sets out the powers, duties and functions of the Minister of Justice and the Attorney General of Canada.

In addition to this general enabling statute, the Minister and the Department have responsibilities under a number of other laws. These range from fairly routine matters, such as tabling the annual report of an agency in Parliament, to broader responsibilities, such as the obligation to review all government bills and regulations for compliance with the Canadian Charter of Rights and Freedoms, the Canadian Bill of Rights and the Statutory Instruments Act. The laws for which the Minister has sole or shared responsibility to Parliament are listed below. [34]

Access to Information Act, R.S. 1985, c. A-1
(responsibility shared with the President of the Treasury Board).[35]
Annulment of Marriages Act (Ontario), R.S.C. 1970, c. A-14.
Anti-Terrorism Act, S.C. 2001, c. 41.

Bills of Lading Act, R.S. 1985, c. B-5 (responsibility shared with the Minister of Transport).

Canada Evidence Act, R.S. 1985, c. C-5.
Canada-United Kingdom Civil and Commercial Judgments Convention Act, R.S. 1985, c. C-30.
Canada Prize Act, R.S.C. 1970, c. P-24.
Canadian Bill of Rights, S.C. 1960, c. 44; reprinted in R.S.C. 1985, Appendix III.
Canadian Human Rights Act, R.S. 1985, c. H-6.
Commercial Arbitration Act, R.S. 1985, c. 17 (2nd Supp.).
Courts Administration Service Act, S.C. 2002, c. 8.
Contraventions Act, S.C. 1992, c. 47.
Criminal Code, R.S. 1985, c. C-46 (responsibility shared with the Solicitor General of Canada,[36] and the Minister of Agriculture and Agri-Food (s. 204)).
Crown Liability and Proceedings Act, R.S. 1985, c. C-50.

Department of Justice Act, R.S. 1985, c. J-2.
Divorce Act, R.S. 1985, c. 3 (2nd Supp.).

Escheats Act, R.S. 1985, c. E-13.
Extradition Act, S.C. 1999, c. 18.[37]

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[34] This list, prepared in September 2004, is an unofficial version for information only.

[35] Responsibility shared with the President of the Treasury Board in the following manner: Minister of Justice (for purposes of paragraph (b) of the definition of "head" in section 3, subsection 4(2), paragraphs 77(1) (f) and (g) and subsection 77(2)); and the President of the Treasury Board (for all other purposes of the Act) (SI/83-108).

[36] The portfolio of the Solicitor General of Canada was replaced by the portfolio of Public Safety and Emergency Preparedness on December 12th, 2003.

[37] Section 84 of the new *Extradition Act*, 1999, c. 18, provides that the repealed Act (R.S. 1985, c. E-23) applies to a matter respecting the extradition of a person as though it had not been repealed, if the hearing in respect of the extradition had already begun on June 17, 1999.

Family Orders and Agreements Enforcement Assistance Act, R.S. 1985, c. 4 (2nd Supp.).
Federal Courts Act, R.S. 1985, c. F-7.[38]
Federal Law-Civil Harmonization Act, No.1, S.C. 2001, c. 4.
Federal Law and Civil Law of the Province of Quebec Act -- 2001, c. 4, Part 1
Firearms Act, S.C. 1995, c. 39.[39]
Foreign Enlistment Act, R.S. 1985, c. F-28.
Foreign Extraterritorial Measures Act, R.S. 1985, c. F-29.

Garnishment, Attachment and Pension Diversion Act, R.S. 1985, c. G-2 (responsibility shared with the Minister of National Defence, Minister of Public Works and Government Services, and Minister of Finance [40]).

Identification of Criminals Act, R.S. 1985, c. I-1.
International Sale of Goods Contracts Convention Act, S.C. 1991, c. 13.
Interpretation Act, R.S. 1985, c. I-21.

Judges Act, R.S. 1985, c. J-1.

Law Commission of Canada Act, S.C. 1996, c. 9.
Legislative Instruments Re-enactment Act, S.C. 2002, c. 20.

Marriage (Prohibited Degrees) Act, S.C. 1990, c. 46.
Modernization of Benefits and Obligations Act, S.C. 2000, c. 12.
Mutual Legal Assistance in Criminal Matters Act, R.S. 1985, c. 30 (4th Supp.).

Official Languages Act, R.S. 1985, c. 31 (4th Supp.).

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[38] Formerly the *Federal Court Act*. The title was amended to the *Federal Courts Act* in the *Courts Administration Service Act*, S.C. 2002, c. 8, s. 14.

[39] The Firearms Program was transferred to the Solicitor General (Public Safety and Emergency Preparedness as of December 12th, 2003, although the legislation has not yet been amended to reflect this change) as of April 14, 2003. See SOR/2003-145.

[40] Responsibility shared in the following manner: (a) Minister of Justice and Attorney General of Canada, General (Part I) (SI/84-5), and for the purposes of sections 46 and 47 of the Act, items 12 and 16 of the schedule to the Act and the other provisions of Part II of the Act as those provisions relate to the Judges Act (SI/84-6); (b) the Minister of National Defence, for the purposes of the provisions, except sections 46 and 47, of Part II of the Act as those provisions relate to the *Canadian Forces Superannuation Act* and the *Defence Services Pension Continuation Act* (SI/84-6); (c) the Minister of Finance, for the purposes of the provisions, except sections 46 and 47, of Part II of the Act as those provisions relate to the *Members of Parliament Retiring Allowances Act* (SI/84-6); and (d) the Minister of Public Works and Government Services, for the purposes of the provisions, except sections 46 and 47, of Part II of the Act as those provisions relate to

(i) the *Governor General's Act*,
(ii) the *Lieutenant Governor's Superannuation Act*,
(iii) the *Diplomatic Service (Special) Superannuation Act*,
(iv) the *Public Service Superannuation Act*,
(v) the *Civil Service Superannuation Act*,
(vi) the *Royal Canadian Mounted Police Superannuation Act, Part I*,
(vii) the *Royal Canadian Mounted Police Pension Continuation Act*, Parts II and III,
(viii) the *Currency, Mint and Exchange Fund Act*, subsection 15(2) (R.S. 1952, c. 315)
(ix) the *War Veterans Allowance Act*, subsection 28(10),
(x) regulations made under Vote 181 of *Appropriation Act* No. 5, 1961, and
(xi) the *Tax Court of Canada Act* (SI/84-6).

Postal Services Interruption Relief Act, R.S. 1985, c. P-16.
Privacy Act, R.S. 1985, c. P-21
(responsibility shared with the President of the Treasury Board [41]).

Revised Statutes of Canada, 1985 Act, R.S. 1985, c. 40 (3rd Supp.).

Security Offences Act, R.S. 1985, c. S-7.
Security of Information Act, R.S. 1985, c. O-5.
State Immunity Act, R.S. 1985, c. S-18.
Statute Revision Act, R.S. 1985, c. S-20.
Statutory Instruments Act, R.S. 1985, c. S-22.
Supreme Court Act, R.S. 1985, c. S-26.

Tax Court of Canada Act, R.S. 1985, c. T-2.

United Nations Foreign Arbitral Awards Convention Act, R.S. 1985, c. 16 (2nd Supp.).

Youth Criminal Justice Act, S.C. 2002, c. 1
(replaces *Young Offenders Act*, R.S. 1985, c. Y-1).

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[41] Responsibility is shared in the following manner: Minister of Justice, for purposes of paragraph (b) of the definition of "head" in section 3, subsection 12(3), paragraphs 77(1) (a), (d), (g) and (l) and subsection 77(2); President of the Treasury Board, for all other purposes of the Act (SI/83109).

Information Online

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http://www.justice.gc.ca/en/ps/pb/prog/official_languages.html

Department of Justice Evaluation Reports
http://www.justice.gc.ca/en/ps/eval/index.html

Department of Justice Internal Audit Reports
http://www.justice.gc.ca/en/dept/pub/audit_reports/index.html

Departmental Performance Report
http://www.justice.gc.ca/en/dept/pub/dpr/home.html

Public Legal Education and Information
http://www.justice.gc.ca/en/ps/pb/prog/legal_ed.html

Report on Plans and Priorities, 2006-2007
http://www.justice.gc.ca/en/dept/pub/rpp/index.html

Research and Statistics
http://www.justice.gc.ca/en/ps/rs/index.html

Sustainable Development Strategy, 2007-2009
http://www.justice.gc.ca/en/dept/pub/sds/07_09/index.html

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